



uPHONGOLO LOCAL MUNICIPALITY

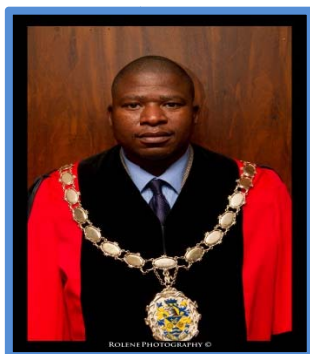
ANNUAL REPORT

2011/2012

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CLLR M M HADEBE – HONOURABLE MAYOR

FOREWORD BY HONOURABLE MAYOR – 2011/2012 ANNUAL REPORT:

The financial year 2011/2012 has been a watershed year in the history of Pongola since the dawn of democracy. It began with the residents of this Municipality standing in long lines on the Election Day and with their vote they ushered in a new political administration.

The inauguration of the new Council surely marked the first signs of the rising star of this Town, which was signified by the fact that nationally one of the top ten matriculants came from Pongola. Buoyed by a generally good matric pass rate, the Council responded by providing University entry bursaries to ten (10) deserving students, sourced for the first time, from the poorest families. Through the Municipal Infrastructure Grant (MIG), the Municipality commissioned the construction of access roads in three wards viz 14, 3 and 6, which are now near completion. In 2011/2012 various MIG funded projects were completed, which includes the storm water drainage system in Extension 4 in Pongola Town and in Ncotshane. On the apex of service delivery was, indeed, the electrification projects, which saw valuable energy being brought to more than a thousand households – better life for all its best.

2011/2012, again it's a year through which the Council has been hard at work trying to resuscitate the Ncotshane Housing Project as evidenced by several meetings that were held with the Department of Human Settlements. There is, now, a beacon of light since progress is at an advanced stage and the

eventual optimal implementation of this project will be a major breakthrough. That will bring shelter to thousands of our residents, who were set back due to poor project management.

Naturally, success does not come without challenges to overcome. Through the year, the Council had to grapple with the fact that, just after commissioning the electrification projects, it was discovered that R8 million has been withdrawn, reason cited for the withdrawal, we were told, was the non-implementation of R9 million received by the former Council (a case of the sins of the fathers falling on their children). Digging deep in rescuing the situation involved securing a loan to bridge – finance the projects. The Municipality had to strive against the tide of huge debt (> R50 m) owed to it by residents, that compounded by the fact that uPhongolo is a low revenue generating Municipality, is proving to be a nagging problem since the demand for service delivery is ever-growing.

In large parts, particularly in rural areas, people get little or no piped water, which is an issue the Council is vigorously pursuing with the Zululand District Municipality so that this can be finally resolved.

It is in 2011/2012 when the council had intended to attain a clean audit report, however this noble goal could not be achieved due to the exodus of senior managers.

Through our budget, surely 2012/2013 has a lot of good news for uPhongolo residents i.e. several projects are being and will be implemented. That includes the completion of the electrification projects and the commissioning of new ones, tarring of streets and construction of high mast light poles in Ncotshane. With funding sourced from different departments, a number of projects will be implemented i.e. Nkuzana Cultural Village (KZN CoGTA), Godlwayo One-Stop Centre (DSD), Gumbi Housing Project (Human Settlements) etc. The implementation of these projects will definitely come with a sizeable number of jobs, which will eventually lead to a general improvement of thousands of lives.

Together, let's work hard to plant the success of uPhongolo today and surely together we will harvest it in multiples tomorrow.


HONOURABLE MAYOR- CLLR M M HADEBE

OVERVIEW OF THE MUNICIPALITY:

Pongola is a small town situated in northern KwaZulu-Natal Province, South Africa only 10 kilometres from the Swaziland border. Pongola has 50 km² of sugarcane and subtropical fruit plantations surrounding it. During the Depression years of the 1930's, drastic irrigation systems were started in Pongola. The town of Pongola thrived as a result of the canal system and a sugar mill that was built.

Considered as the jewel of KwaZulu Natal, uPhongolo or Pongola is now said to be "Right at the Heart of the Zulu Kingdom". Road access to the area is via the N2 from Gauteng and Natal and the Golela Border post from Swaziland – a major gateway to the area for foreign visitors travelling south from the Kruger Park. Distances from all major centers area: Johannesburg 420km, Durban 380km and 270km south of the southern gates of the Kruger National Park.

The Pongola areaplayshost to many tourist attractions including Game Farms and Lodges, the Pongolapoort Dam, famed for its Tiger Fishing and surrounding wildlife, cultural history and much more. The town of Pongola is wedged between the Swaziland border and the Phongolo River and has all the modern facilities, Supermarkets, Hospital, Small Airport, 9 hole Golf Course, Tennis and Bowls. The Pongola River rises just east of Wakkerstroom and drains an area of nearly 8000 km² in a narrow gorge in the Lebombo Mountains to form the 2 492 million m³ Dam behind the 89m high wall. Phongolo is the Zulu word for trough because of the many deep pools with steep sides along its course.

Pongola, situated at foothills of the majestic Lebombo Mountains is an area rich in Anglo and Zulu Boer War history. Hunters made considerable fortunes. One such hunter, "Elephant White" shot 15 elephant in one season. In the plentitude that was Africa, everything seemed inexhaustible until the "inexhaustible" game numbers began to dwindle. In 1874 this area was proclaimed the Pongola Game Reserve by President Kruger and was the first ever reserve in Africa. Pongola has an unparallel selection of excellent game camps and lodges in which to spend the night. Around Pongolapoort Dam there are 10 lodges in the Pongola Game Reserve which has four of the Big 5.



VISION:

uPhongolo Local Municipality will evolve into a dynamic socio-economically driven, healthy and safe environment through sustainable service delivery.

MISSION:

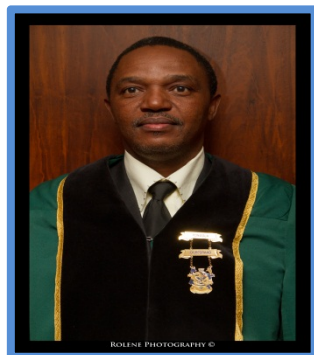
To create an affluent municipal area by:-

- Provision of optimal delivery of essential services.
- Supporting sustainable local economic development.
- Community participation in service delivery.

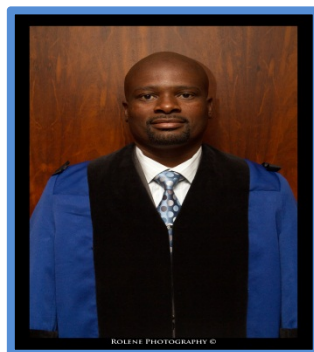
COUNCIL OF UPHONGOLO LOCAL MUNICIPALITY



HONOURABLE MAYOR - CLLR M M HADEBE - EXCO



**HONOURABLE DEPUTY MAYOR
CLLR J B NGEMA - EXCO**



**HONOURABLE SPEAKER
CLL H V NCAMPALALA**



CLLR M B MAKHOBA – EXCO



CLLR E N BUTHELEZI – EXCO



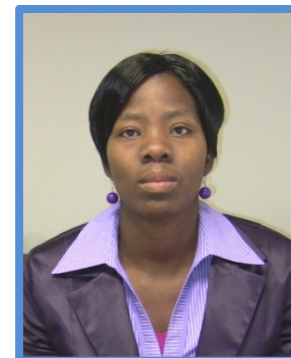
CLLR Z L NXUMALO



CLLR A Z THABEDE-EXCO



CLLR B MVELASE



CLLR B C NHLABATHI



CLLR N T GUMBI



CLLR M J DLAMINI



CLLR K E NXUMALO



CLLR N M MKHWANAZI



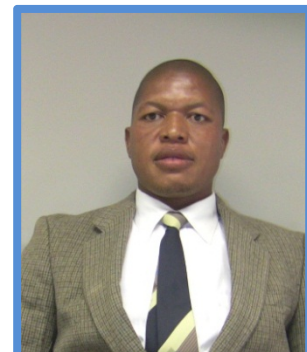
CLLR C N MAVUNDLA



CLLR D NYAWO



CLLR J C THERON



CLLR M S MNTUNGWA



CLLR M J PHAKATHI



CLLR N J MKHWANAZI



CLLR M P KHUMALO



CLLR S R SIMELANE



CLLR F F SIMELANE



CLLR N P MAVUSO



CLLR M M MNTUNGWA



CLLR J P NGWENYA



CLLR B H NKOSI



CLLR B A MASUKU
(Term of office was until 31st
May 2012)

VALUES OF THE uPhongolo LOCAL MUNICIPALITY

- Exercise rights and duties within the financial and administrative capacity of the Municipality
- Foster people's development by being orientated towards and responsive to the people's needs
- Develop a culture of participatory governance and contribute to building the capacity for such participation
- Exercise right and duties in a transparent and accountable fashion
- Effective and efficient administration

THE MANAGEMENT OF uPHONGOLO LOCAL MUNICIPALITY IS WORKING TOGETHER AS A TEAM TO CREATE A BETTER FUTURE FOR OUR PEOPLE AND STAFF



MRS A VAN EEDEN
MANAGER CORPORATE SERVICES



MR J J VILLET
SERVICES AND OPERATIONS



MR M E ZONDO
MANAGER COMMUNITY SERVICES



MR S D SITHOLE
ASSISTANT MANAGER PROTECTION SERVICES



MR E ENGELBRECHT
TOWN PLANNER



MR J BARNARD
PROJECT MANAGEMENT
UNIT MANAGER



MR C DONNELLY
BUILDING INSPECTOR



MR H KOEN
COMPETENT ELECTRICAL PERSON



MR CHRIS KOK
ELECTRICIAN

CHAPTER 2: COUNCIL'S PERFORMANCE MEASURED AGAINST THE FIVE KEY PERFORMANCE AREAS (KPA)

KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

1.1 uPhongolo MUNICIPALITY – COMMUNICATIONS OFFICE

It is very important that a communication approach is developed to strengthen and intensify communication and marketing of the uPhongolo Municipality. Positive image is being promoted through the implementation of the Communication strategies. Matters with regard to the community's participation are being encouraged and rights of the members of the local communities are being exercised.

Advertising can be effective when correctly located relative to the target audience. Advertising in the newsletter of a particular interest community can be highly effective if that is the target audience.

Transformation of the Public Service Delivery, notice 1459 of 1997, provides that citizens should be given full information about the public services they are entitled to receive.

The Communications Officer compiles and distributes 5 000 copies of the External Newsletter (uPhongolo News) to the community every 3 months, and he also compiles an Internal Newsletter "Isibuko Sethu" for the Municipal Employees of which 250 copies are produced. At present communication with the public has been improved by the publication of the external newsletter, while the internal newsletter is used to communicate Council resolutions and general information related to staff.

EVENTS AND PROMOTIONS:

uPhongolo Municipality has been involved in the organisation of the following events and functions from July 2011 to June 2012, namely:

1. Umbelewethu Festival at Ncotshane Community Hall – 26th June 2012
2. Umbele Wethu District Festival Finals at uLundi- 14 July 2012

3. Reed Dance (uMkhosiwoMhlanga) at Nyokeni- 09 - 11 September 2011
4. Mayoral Cup (Local) at Pongola Akademie- 25 September 2011
5. Mayoral Cup District Finals at Abaqulusi- 08 October 2011
6. Kwanaloga Games- on the 09th - 13th December 2011
7. Breakfast Business Meeting at Country Lodge – 24 January 2012

Photographs of the Events are displayed in the main entrance on exhibition boards. The information of these events is also being considered and updated for the Municipal Website on a regular basis.



MEDIA SOCCER TOUR 2011/2012

COMMUNICATIONS CHALLENGES:

With any written communication it is important to remember that information needs to be presented clearly and concisely.

A 4 x 4 is needed from time to time to reach disaster areas. Communication Tools are inadequate and the limited Budget for the Communications Strategy Plan makes it difficult to execute the Communications Strategy Plan within the financial year. The Communications Officer needs to put up banners prior to events starting, to promote the municipality but it is very difficult due to unavailability of transport.

A new digital camera should be bought, hence the one that is used is too old. The communications office should have been supplied with a new PC with big capacity.

1.2 uPhongolo MUNICIPALITY – TOURISM

EVENTS:

UMBELE WETHU CULTURAL FESTIVAL:

UMbeleWethu is an annual event that normally takes place during July; it is coordinated by the Indonsa Arts and Culture Centre and Zululand Municipality and all the local Municipalities within ZDM's region . Its main objectives are to explore and develop talent in the Local Groups in Arts, Culture and Tourism within all the Wards. On the 26th of June 2012, uPhongolo Municipality had uMbeleWethu Cultural Festival that took place at Ncotshane Community Hall. All groups that have won at local level had participated at District level on the 14th of July 2012. uPhongolo Municipality obtained the following positions uBuhlebamanazaretha 1, iSambulo 2, SMS 1, Amaswenka 1, Young Ru 3, Backdoor1, Rocka Fellas 2, Isinamuva 2, amaSouth Africa 3, uBhaqalwesizwe 2, F S Masango 2, Singitha 3.



UMBELE WETHU CULTURAL FESTIVAL

INNIRIET FESTIVAL:

The Inniriet Festival took place on the 25th –27th of August 2011 at Pongola Academy. This is an exhibition whereby Local Business people are given an opportunity to advertise and promote their respective products. Different entertainment groups even the Local school groups and popular local musicians are invited to entertain the audience.

TIGER FISHING BONANZA:

Other events are synonymous with their destinations for example when you talk of Vodacom Durban July people think of Durban; this also applies to Tiger Fishing competition, which is synonymous to uPhongolo area or Pongolapoortdam. On the 22nd –24th of September 2011, the Tiger Fishing competition was held at Pongolapoortdam and this is one of the greatest competitions to be staged in the area. It has been noticed that the event is growing rapidly and has an ability to attract international tourists. When you are looking for accommodation at uPhongolo during the Tiger Fishing Competition, it's difficult to get as most of the places are fully booked.

REED DANCE CEREMONY:

The Reed Dance Festival is an annual event that takes place at eNyokeni Royal Residence in Nongoma. uPhongolo Municipality through Tourism Office participated in this event every year. On the 9th-11th of September 2011, uPhongolo Municipality participated on the event by transporting Maidens to the Reed Dance Festival. uPhongolo Municipality donated three buses to transport Maidens to the Reed Dance Festival.

During this event Maidens showcase their pride by taking the Reed to His Majesty the King. On Sunday Maidens from different District Municipalities dance a variety of Zulu dances for His Majesty the King. The Reed Dance plays a vital role in moral regeneration of Maidens. Maidens' Matrons in Pongola area have done us proud by reviving this culture.

KZN TOURISM AMBASSADOR PROGRAMME (PHASE 2)

The National Department of Tourism (NDT) has approved the KZN Ambassador Programme and appointed Tourism World Academy as the Project Implementer (PI). uPhongolo Municipality through Tourism Office requested Tourism World Academy to Implement Phase two (2) of this programme here in Pongola area.

Thirty (30) learners were recruited from all fourteen (14) Wards to participate on the programme. The primary objective of the programme is to recruit and place unemployed matriculants and Tourism undergraduates at identified Host Employers for the period of twelve (12) months of which theory is provided for one month and practical work for the period of three

(3) months. The programme has commenced on the 2nd of April 2012 and will terminate on the 31st of March 2013.

CHALLENGES FACING TOURISM:

TOURISM BUDGET:

Local Economic Development and Tourism are the core functions of each and every municipality. The key challenge is to ensure that tourism makes a significant contribution to economic development within the uPhongolo area. According to The Tourism White Paper of 1996, it clearly states that Council needs to use tourism to aid the development of rural communities. Tourism is very important and perceptions about tourism need to change. Tourism budget is too limited.

TRANSPORT:

The key challenge in tourism is transport, without having proper tourism transport to execute tourism functions; it is very difficult to operate. Council needs to create an enabling environment for delivery of tourism functions.

TOURISM OFFICE

The usage of the foyer as Tourism Office is not serving any purpose, the office must be accessible to the Tourist. Council needs to build a proper Tourism Office to ensure optimal execution of tourism functions to create an enabled environment for tourism to flourish.

“EXPLORE OUR AREA, IT'S AN EXPERIENCE”

1.3 uPhongolo MUNICIPALITY – MIG REPORT

SECTION MIG FALLS UNDER: MUNICIPAL MANAGER'S OFFICE AND WITHIN THE TECHNICAL DEPARTMENT

CONDITIONAL GRANT REPORT FORMAT

INTRODUCTION

Conditional grant report format

Introduction

This report is a guideline to the outlook from uPhongolo Local Municipality, with reference to Infrastructure. Poverty eradication is still one of the biggest challenges facing our country. Within this context our Municipality committed itself to summit on Sustainable Development, Millennium Targets to eradicate poverty as well as accelerating service delivery. The most important step we have taken towards addressing these targets within the uPhongolo Local Municipality is by means of the Municipal Infrastructure Grant (MIG) Programme.

The Strategic programme for MIG over the next five (5) years, of uPhongolo Local Municipality was implemented in 2007/08 and is aimed at providing the community within Pongola and surroundings areas with at least a basic level of service by the year 2012 through the provision of grant finance to cover the capital cost of basic infrastructure for the poor. It is part of uPhongolo Local Municipality in line with government's overall strategy to eradicate poverty and to create conditions for local economic development. The strategic program will therefore maximize opportunities to create employment and develop enterprises. The MIG programme fits within the overall development framework of uPhongolo Local Municipality, which is built on three cornerstones: basic services, food security and HIV/AIDS. Whilst the MIG programme directly addresses basic services, it also contributes to the other elements since access to basic services improves opportunities for communities to live healthier lives and to be more productive.

Being one of the biggest capital grants, the MIG is guided by clear policy principles, objectives and conditions for use. It has a clear framework, which outlines roles and responsibilities, cross-sector linkages, programme management, and mechanisms toward ensuring transparency, accountability

and sustainably. The Strategic plan had been developed to communicate information about the MIG programme in a user-friendly way. It also aimed to encourage the Municipality, other departments and key stakeholders to utilize the programme to pro-actively address the basic service and other development needs of our communities.

The MIG programme provides the framework, the resources and the means to realize one of our most pressing goals – the eradication of poverty. However, the successful implementation of the programme required people, skills, partnership, co-operative relationships and real commitment from all stakeholders.

BACKGROUND

A. OVERALL DESCRIPTION OF THE PROGRAMME:

A.1 Programme History

Programme history for the total allocations and commitments for the 2011/12 financial MIG year is as follows:

MIG Financial year	Allocation	Commitment	Over/Under-commitment
2011/2012	16,793,000.01	R79,014,451.31	R65,051,593.32

The cash flows of the different projects were spread over the period of three financial years namely, 2010/11, 2011/12 and 2012/13 in order not to spend more or less than the allocated amount for the financial year.

A.2 Project/programme concept, design and plan (What is MIG? Province will cover some of this, but add your own perspective on how the municipality sees it – it is welcome)

Answer:

The Municipal Infrastructure Grant (MIG) is running for its six year in uPhongolo Local Municipality. It combines all existing capital grants for municipal infrastructure into a single consolidated grant.

A.3 Start date – duration of the programme (when did MIG allocation commence in your municipality eg April 2006?)

Answer:

The program commenced in April 2006/07 Financial Year.

A.4 Amount allocated for the past five years

2006/07	R4,538,150.27	
2007/08	R5,278,572.31	Increase of R 740,422.04
2008/09	R8,638,834.15	Increase of R3,360,261.84
2009/10	R12,097,000.00	Increase of R3,458,166.85
2010/11	R13,962,857.99	Increase of R1,865,857.99
2011/12	R16,793,000.01	Increase of R2,830,142.02

Comments on the difference. How was it spent or rolled –over

Answer:

There was no role over amount for 2010/11.

The following table indicates the expenditure on the MIG projects for the MTEF financial year 2011/2012:

2011/2012 FINANCIAL YEAR - MIG

2011/12						
Agent	Provincial Reference Number	Project Title (as per MIG 1 form)	Project Status	Total Previous MIG Expenditure	Total (Certified + Projected)	Balance against Actual Project cost
KZ262	KZ262 PMU	KZ262 PMU			559,393.05	280,256.95
KZ262	2006MIGFK262113824	Pongola Roads and Stormwater Ext 4 (AFA1) MIS 168956	Construction	19,324,006.74	10,483,077.75	4,743,371.45
KZ262	2006MIGFK262114156	Ncotshane RDP Housing and Bulk stormwater infrastructure Phase 3	Completed	3,897,133.44	52,357.64	14,504.30
KZ262	2007MIGFK262152908	Access Roads and Related Stormwater in Wards 1,3,4,6,7,8,9	Construction	2,947,569.04	5,698,171.57	31,854,259.39
KZ262	2008MIGFK262159615	Chip and Spray Uphongolo Internal Roads Upgrade	Completed	913,572.84	0.00	112,427.16
KZ262	2008MIGFK262160026	Pongola Street Lights Ext4	Registered	0.00	0.00	290,472.00
KZ262	2008MIGFK262163314	Upgrading of Existing infrastructure at Cemeteries in Pongola, Ncotshane, Belgrade and Magudu	Registered	0.00	0.00	10,799,917.00
KZ262	2009MIGFK262164812	Upgrading of Sport Facilities in the uPhongolo Local Municipal Area	Registered	0.00	0.00	18,328,464.00
KZ262	2009MIGFK262171838	Ncotshane Taxi Rank	Registered	0.00	0.00	14,048,934.61
KZ262	2011MIGFK262196985	Surfacing of Gravel Road in Ncotshane (Magistrate Office)	Registered	0.00	0.00	16,838,665.26
KZ262	2011MIGFK262197067	Ncotshane RDP Housing - Bulk Stormwater Infrastructure Phase IV	Registered	0.00	0.00	6,025,447.20
KZ262	2012MIGFK262208204	Surfacing of Gravel Roads in Ncotshane (2012/13 - 2015/16)	Registered	0.00	0.00	16,838,665.26
16,838,665.26	2012MIGFK262208254	Erection of High Mast Lights in Ncotshane	Registered	0.00	0.00	2,499,897.40
Sub Total - Projects				27,082,282.06	16,793,000.01	122,675,281.98

The expenditure up to date could be seen in the cash flow report sent to the Department of Traditional and Local Government Affairs (DLGTA).

uPhongolo Local Municipality had a 100 % (percent) expenditure for the 2011/12 financial year.

Key challenges since onset
Answer:

A shift in focus with an emphasis not only with respect to the provision of infrastructure for basic services but also to incorporate a greater role and emphasis on infrastructure that would cater for local economic development as well.

Systems were incorporated and established to ensure operations and maintenance of new as well as existing infrastructure with an emphasis, in addition, to prevent the wastage of service resources by

Up to date no correspondence was received from National. uPhongolo Municipality has spent their total allocation for the past MTEF period.

The challenge is to manage and Phase in the Backlog with the small allocation received. It is paramount to the successes of the MIG programme to ensure that uPhongolo Municipality receives a greater Allocation to Eradicate the Backlog as Indicated in the Backlog Study.

Furthermore it is important that the CIP increases annually.

Evaluation as per the practice note

PART 1: PROGRESS TO DATE

Results based management principles should be used as the underlying principles to evaluate interventions and outcomes:
1.1 Describe set up and actions undertaken by various actors during 2011/12,
Answer

means of our 3 Year Capital Budget and will be amended as a ongoing procedure.

It is paramount and critical to the survival of the uPhongolo Municipality that levels of payment for these services and all other services rendered are increased and thereby catered for over the longer-term and;

A more strategic approach to municipal facilitation of the environment to stimulate Local Economic Development in the medium term in order to increase levels of employment and household incomes and wealth accumulation, thereby making services rendered more affordable.

The 2011/12 MIG Financial Year also put the emphasis on the allocation received. Although uPhongolo Municipality is fully committed, the allocation received is not in line with the Backlog To be Eradicated (see attached uPhongolo Municipality Backlog Study and CIP report compiled and forwarded to COGTA.)

1.1 DESCRIBE SET UP AND ACTIONS UNDERTAKEN BY VARIOUS ACTORS DURING 2011/12,

(A) Approval of MIG Projects	
	Activities and workflow;
1. Drafting and completion of a three year Capital Plan.	LM
2. Co-ordination of Inputs via assistance of sector Local Municipalities	PMU
3. Project Identification.	LM
4. Generation of Project list via Planning.	LM
5. Explore alternative funding options via Planning.	PMU
6. Project Prioritisation & Selection.	LM
7. Project evaluation against available funds, MIG conditions and 3-Year capital plan approved by Municipal Council.	PMU
8. Finalisation of list of projects compiled by Municipalities and Consulting Engineers allocated by Municipalities using the Supply Management System.	Consulting Eng
9. Activate Projects registration forms on MIS web site.	PMU
10. Complete registration	LM
11. Technical reports then completed by Consulting Engineers and hard copies submitted to the Local Municipalities & the PMU or to the Municipal Infrastructure Planning Forums at Province	LM & PMU
12. Evaluation (Does it exactly comply with guideline/technical requirements?) and submit technical reports.	PMU
13. WET Projects: Municipality sign-off project registration forms on MIS system and submit technical report to DWAF (Water affairs and Forestry)	LM
14. PMUs Evaluate Projects	PMU
15. Technical reports for "WET" projects submitted to DWAF for approval.	LM
16. PMMU-Provincial MIG Management Unit evaluates project.	PROV
17. DWAF evaluates technical report – if necessary technical report referred back to Municipality	PROV
18. National MIG Management Unit Evaluates project	NAT
19. Project registered	NAT
MIG SMM (Senior MIG Manager) & SMF (Senior Manager Finance) sign the project registration letter and send to Municipality/PMUs	NAT
Activities 1-10 could be co-ordinated and Monitored which enables the fast tracking of current projects and therefore the process can be speeded up.	
Activities 12, 13, 14 & 16 will be evaluated with regards to the monitoring of capacity and whether technical requirements and cost apply to MIG standards.	
21. Project consultants appointed ;	LM
• Design alternatives identify labour intensive construction.	Consulting Eng
• Design alternatives evaluated and enclosed by Municipalities.	Consulting Eng
• Preliminary design completed and submitted to Municipalities for evaluation.	Consulting Eng
22. Overseeing if Municipality complies with the MIG conditions.	PMU
23. Co-ordinate evaluations of designed reports.	PMU
24. Preliminary Design Report referred back to Consultant and amendments need to be made.	LM
25. Approval of designed report by Municipality	LM
26. Detailed Design completed	Consulting Eng

27. Details of quantities and tender documentation compiled.	LM & Consulting Eng
28. Tender advertisement, site inspection, evaluation of tenders and tender report.	LM & Consulting Eng
29. Tender report approved by Municipality	LM
30. Tender report referred back to Consultants and amended.	LM
31. Evaluate tender report.	LM
32. Tender report approved	LM
33. Contractor appointed.	LM & Consulting Eng
o Construction drawing issued by consulting engineer.	LM & Consulting Eng
34. Project Constructed.	Contractor & Consulting Eng
35. Project Completed.	Contractor & Consulting Eng
36. Physical Completion of Certificate issued.	Consulting Eng
37. Defects Liability Period – Operation and Maintenance.	LM & Consulting Eng
38. Ongoing operation and maintenance – Operation and Maintenance (O & M).	LM

PROJECT MANAGEMENT UNIT:

- Investment in three (3) projects was done by the PMU and the Business Plan for the 2010/11 MTEF Period.
- The IDP was used by the Municipal Managers Office in Conjunction with our PMU Manager, Mr. Barnard, in the 2010/11 Financial Year as guide to implementing the projects.
- Assistance from the Consulting Engineers, Kwa-Zulu-Infra were given to Council in order to determine Feasibility, via Mr. Barnard and the Afri-Infra team of Engineers.
- COGTA provided uPhongolo Local Municipality training on one (1) occasion in the MIS System.

1.1.1 Implementation of the approved business plan

- Once a Business Plan was approved by Province and National Government, (COGTA);
- Adverts were placed for Contractors to tender and they were appointed through the Supply Chain Management System.
- From the start of the Implementation of the MIG unit Contractors were appointed on site took about 12 months in overall;
- The completion of the projects was monitored closely by KwaZulu-Infra as Consulting Engineers and our PMU Manager, Mr. Barnard by means of a Hands-on approach during 2011/12. One Project was completed for the 2011/12 Financial Year.

- This process had to be monitored closely in order to stay within our allocation by means of strict Cash Flow management.

The Municipal Departments participate in the IDP process. The reporting of the costs involved with the completion of the project registration form, conducting of feasibility studies and compilation of Progress Reports was done by the engineers, and the PMU Office.

uPhongolo Municipality established a Project Management Unit to manage MIG projects. Specifically in alignment with all principles and objectives underpinning the design of the programme as contained in the MIG Policy Framework.

The uPhongolo Municipality confirms that the establishment process as well as the operational outcomes of the Project Management Unit was to;

- Acknowledge and adhere to all aspects contained within this business plan including all principles, objectives, sector conditions and outcomes contained within the MIG Guideline Document and the MIG Policy Framework document.
- Ensure adherence to the Labour Intensive objectives as detailed in the Expanded Public Works Framework document and the Code of Good Practice for Special Public Works 25/01/2002.
- Ensure municipal and regional integration of the MIG Programme and other non-MIG funded programmes within the framework of the municipality's pre-existing Integrated Development Plan.
- Ensure the alignment of the approached and processes of existing infrastructure programmes to those of MIG.

The PMU was responsible for the management of the local infrastructure programme (municipal scale) as well as the physical project implementation activities and to ensure that:

- all projects meet overall planning objectives and specific key performance indicators as determined by the Department of Local Governance and Traditional Affairs (COGTA).
- the co-ordination of regular progress meetings at local level and representation at the national progress meetings.

- the associated project management administrative functions from project registration, evaluation through to the final project completion reports.

1.1.2 Schedules of work and phasing of the activities / Co-ordination with other stakeholders

uPhongolo Municipality strives to develop appropriate municipal planning capabilities. The MIG strategies of uPhongolo Municipality will ensure that the provincial MIG management unit supports the PMU in this matter. The Council's IDP ensures that the planning is integrated with the municipality's budget and other planning initiatives through ensuring that:

- The PMU and IDP is properly integrated with the municipality's other plans;
- Planning for regional scale infrastructure and service delivery is guided by the Municipal manager, working in conjunction with the municipality's PMU;
- The Technical Department and PMU fulfil the function of overseeing project feasibility studies within the municipality, as part of the municipal planning process.
- The following matrix details the specific roles, functions and responsibilities of each Department that is related to the PMU.

Responsibility Matrix

The role and responsibilities of the various role-players are as follow

uPhongolo Local Municipality – Including Project Management Units (PMU)			
Responsibility	Outputs	Activity List	Indicators
LM & PMU	Financial Management:	<ul style="list-style-type: none"> The PMU is responsible for the administration and financial management of all projects' funds related to the municipality, within the municipal accounting systems for infrastructure and service delivery projects of the municipality. The PMU is responsible for the compliance of all conditions contained in the Division of Revenue Act framework (DORA) relating to all funding mechanisms. The PMU is directly responsible for the reconciliation and timely submission of all DORA reporting and ad hoc reporting as and when required. Final compilation of monthly, quarterly, bi-annual and annual reports to the management. Monitor the consolidated cash flow performance reports on each project and on all municipal projects collectively Verify and reconcile quarterly transfers to projects Audit and administer the monthly claims and expenditure 	<ul style="list-style-type: none"> DORA reports Municipal financial reports
PMU	Project Identification and Prioritisation	<ul style="list-style-type: none"> The co-ordination of the project identification and prioritisation process for the municipality by the PMU, whilst ensuring proper integration of the Infrastructure Investment Framework and IDP with the appropriate input from the various other municipal departments to ensure synchronised service delivery. Ensure that the municipality has the resources to operate and maintain its projects throughout the project lifecycle. Ensure that municipality budget for the capital replacement or rehabilitation costs thereafter. The feasibility process necessitates that due consideration be given to the feasibility of projects in terms of: <ul style="list-style-type: none"> Municipal growth strategies Integrated regional-level infrastructure planning and technical feasibility of the projects. Infrastructure backlog studies. Labour Intensive Projects (EPWP Guidelines for labour intensive construction). 	<ul style="list-style-type: none"> IDP Sector Plans Departmental services and Infrastructure investment plans Backlog studies Contribution to Labour Intensive Projects (EPWP)
PMU & LM	Programme / Project Management:	<p>The PMU will be responsible for the management of the local infrastructure programme (municipal scale) as well as physical project implementation activities while ensuring that:</p> <ul style="list-style-type: none"> all projects meet overall planning objectives and specific key performance indicators as determined by the Municipality. the co-ordination of regular progress meetings with MANCO and EXCO - Monthly MIG Meeting on Site Visit Meetings. the associated project management administrative functions from project registration, evaluation through to final project completion reports. Project manage the labour-intensive projects in line with the EPWP framework and the related reporting requirements Conduct site-visits / meetings to ensure compliance to the Project Registration form and the Letter of Acceptance. Manage cash flows and committed project expenditure 	<ul style="list-style-type: none"> Minutes of meetings Site visit reports Labour Intensive reports Cash flow reports

uPhongolo Municipality – Including Project Management Units (PMU)					
Responsibility	Outputs	Activities			Indicators
PMU	Monitoring Database:	<ul style="list-style-type: none"> The PMU will be responsible for the (IT) management of the monitoring database and the preparation of all necessary reports to municipal and the relevant provincial and national departments. Generation of Registration forms/ Business plans / Feasibility studies Data capture, updating and replication of all data and KPIs 			<ul style="list-style-type: none"> Municipal Information System (MIS)
PMU	Administration / Contract Administration	<ul style="list-style-type: none"> The co-ordination of SMIF project applications; in support of innovation in the provision of infrastructure Also in terms of cost effective regional-level infrastructure solutions involving a number of municipalities. Audit compliance of legal conditions, required from the different spheres and sectors of Government Maintenance of site visit reports, OH&S register 			<ul style="list-style-type: none"> Contract Documentation for consulting engineers and contractors MOAs etc
LM	Other Capital Works Funding	<ul style="list-style-type: none"> Capital works funded from other sources will be included within the competence of the PMU. Labour Intensive Projects (EPWP) – Encourage the use of the EPWP Guidelines for labour intensive construction. 			
PMU & LM	Project –based Capacity Building	<ul style="list-style-type: none"> The PMU will be responsible for the co-ordination of project-based capacity building and developmental initiatives. This capacity building component is only concerned with projects and the arrangements relating to the effective delivery of municipal infrastructure and services related to this department and will be targeted in the following manner: 			<ul style="list-style-type: none"> Capacity Building Plans
		Scale of Initiative	Type of Activity	Key Features	<ul style="list-style-type: none"> Community awareness campaigns. SMME Learner ships Worker training during employment Employment exist strategies Training Programmes Municipal Partnerships (SMME) Community Based Partnerships Community Based Partnerships
		Project Level	Project Implementation	Capacity building is associated with improving the ability of communities to become involved with the project planning and construction of projects. With regard to the latter the focus is on labour-based construction and small contractor development	
			Operational	Under this category the project includes an undertaking to train the future services provider (or operator) to operate the infrastructure. Typically this would involve community-based organisations but it may also be aimed at municipal staff. In some cases the obligation to support services providers may extend for up to three years. Such costs may be included under project costs.	
		Programme level) Municipal Scale	Programme Management	The focus of the Technical Department's effort under the Municipal Managers Office will be on building the capacity of the project management unit (PMU) to ensure that they can fulfill their functions.	
			Project Implementation	There may be a local motivation to establish programme scale initiatives, which could include district scale labour-based construction programmes, particularly for roads. Such initiatives typically have a strong capacity building element.	

uPhongolo Municipality – Including Project Management Units (PMU)			
Responsibility	Outputs	Activities	Indicators
LM & PMU	Operation and Planned Maintenance	<ul style="list-style-type: none"> Municipal Infrastructure Investment Planning together with Integrated Development Planning is necessary for long-term financial sustainability of municipal assets. In support of this, it is critical that the municipality have planned maintenance programmes for their assets on one hand and the resources and capacity on the other. It is the responsibility of the PMU to ensure that the municipality has the resources to fulfill the operations and maintenance obligations for all capital projects. The PMU will assist wherever possible with regard to the planning and implementation of the O&M programmes, directly or indirectly. 	<ul style="list-style-type: none"> Operation and Planned Maintenance Programme Updated asset registers (GIS based)
LM	GIS	<ul style="list-style-type: none"> The GIS functions would be based at the Technical Department offices. The PMU is expected to make use of these facilities especially during the project planning / feasibility phases, the O&M planning and the development of asset registers etc. This capacity will be developed over time. 	<ul style="list-style-type: none"> GIS database Asset registers
LM PMU & CLO	Project Monitoring and Evaluation	<ul style="list-style-type: none"> Socio-economic impact assessments detailing how the Municipal projects have impacted on the community and municipality in terms of: skills development, community involvement, employment creation, training, municipal partnerships, local economic development and how the lives of the community have improved. Facilitation of backlog studies and environmental impact assessments of projects when necessary. 	<ul style="list-style-type: none"> Impact Assessment Reports Backlog studies Monthly Reports
LM	Community Liaison / Development / communications	<ul style="list-style-type: none"> It is critical to the success of this proposal that there is the appropriate communication and liaison with the community and the different departments in the municipality in respect of project planning and implementation to ensure buy-in and long term sustainability of the projects in terms of the community understanding the need to pay for services as well as the development of community-based partnerships for the purposes of O&M as discussed above under the point project-based capacity building. Facilitate community liaison linkages to ensure full community participation at all stages of a project's life cycle. Develop and implement a communication strategy in line with provincial and national objectives Press releases Co-ordinate opening and handover ceremonies Project orientation workshops etc Prepare and develop project capacity building business plan in alignment with the municipal LGCBG business plan. Co-ordinate the project-based capacity building in terms of: <ul style="list-style-type: none"> job creation, with the focus on introducing labour-based construction methodology and the development of SMMEs where technically feasible. the development of community-based partnerships for the operation and maintenance of the infrastructure. Monitor and report on implemented capacity building initiatives. 	<ul style="list-style-type: none"> Community liaison checklists Training schedules

PROJECT MANAGEMENT UNIT STRUCTURE:

Staff Structure and Costing:

The PMU was funded from the MIG grant allocation made available to the municipalities. It was responsible for 5% of the total grant allocation for the municipality. In this particular instance it was envisaged that the MIG unit developed further methods in order to ensure the cost efficiency of the PMU.

The PMU was responsible for:

Financial Management Services
Project Identification/Feasibility Process
Contract administration
Programme/Project Management
Project Monitoring and Evaluation
Project based Capacity Building
Operational and Planning Maintenance

and received strategic and policy guidance from the Provincial MIG Programme Manager (PMM).

The personnel composition was not representative of a fully inclusive PMU team, due to the lack of finance and could change in future depending on capacity constraints within the municipality from time to time.

1.1.3 Financial management

Acquiring of spending authority at municipal level within the national standards

Decisions relating to the prioritization of municipal infrastructure and service delivery spending, such as the identification, selection and approval of projects are best undertaken at municipal level, with the following provisions to implement the following, as done by uPhongolo Municipality:

- the operating finance and management arrangements are in place;
- a degree of national and provincial influence over capital spending, expressed through clear norms, standards and spending conditions was retained; and

- unintended consequences were being limited: The grants that are allocated. MIG (Municipal Infrastructure Grants), promoted sound management practices, for 2011/12 Financial Year.

Efficient use of funds

Funding was used to provide the greatest possible improvement in access to services up to the lowest possible cost. This implies the following:

- there was an appropriate selection of service levels – from the IDP;
- incentives and conditions ensured that other funds were not mixed with grant funds to minimize leakage to non-eligible households and service levels;
- the mechanism to disburse funds was simple and easy to monitor, and the outcomes of municipal spending was easy to evaluate.
- the result was a 100% Expenditure in 2011/12

Under-spending by the municipal departments

uPhongolo Municipality had no under spending for 2011/12. Due to the following measurements that were put in place:

The PMU identifies, on an ongoing basis, based on monthly reports, any variances/regular/dramatic under-expenditure. The following actions were being taken:

- Confirm the variances with the Financial Manager.
- Write to the Municipal Manager within eight working days after the 10th of the month about the variances explaining the implications thereof and the problems experienced with under-expenditure.
- Copy the letter to the Financial Manager.
- Reflect the variances in the monthly Division of Revenue Report.
- Write a letter to Municipal Manager, by the 20th of the month, reflecting the actions taken (such as delaying or withholding of transfers) to address the under-expenditure.
- Submitted to Province reasons for under expenditure in DORA Report on a monthly basis.

Control measures for expenditures/transfers

The PMU transfers funds to Contractors/Consultants on a monthly drawdown basis.

The PMU will submit requests for draw downs to the Financial Manager on the 10th of the month where after the Financial Manager will:

- Assess the expenditure of the relevant Contractors and Consultants as well as the PMU against the transfers to projects.
- Inform the relevant stake holders within eight working days after the 10th of the month about the variances, explaining the implications thereof and problems experienced with under-expenditure.
- If the PMU did not spend the amount previously transferred, the amount still available on the books was subtracted from their request for drawdown. Should the situation persist and no expenditure occurred, transfer/payment was withheld until proof of expenditure and an amended payment schedule were received.

Delaying of payments

uPhongolo Municipality will recommend delaying of payments should Contractors/Consultants not comply with the regulations of the Division of Revenue Act and performance on projects.

Withholding of payments

The Financial Manager of the Municipality will withhold transfers if the PMU provides proof of non-compliance with the Division of Revenue Act and regulations of the municipality by contractor and consultants.

1.1.4 Risks taken and management thereof

Ext4 Roads and Stormwater was the only risk project with reference to the EIA Report to be approved by Department of Environmental Affairs. The EIA Report was submitted and approval of the ROD has been received. The risk was low due to the fact that the streets were constructed within the town layout as approved by SG Office. Therefore it was just a matter of formality. All EIA Regulations were adhered to.

Refer to Project Outline Item 3.2 – 3.6.

1.2 Describe the management of the programme

1.2.1 Institutional arrangements to manage. How are these functioning within the department?

Managing MIG as a Programme

The MIG is a grant to uPhongolo Municipality and thus the management of the grant at municipal level occurs within the planning, budgeting, financial management and operational arrangement of uPhongolo Municipality. Effective management and utilization of capital funding was the responsibility of uPhongolo Municipality by means of the PMU.

The MIG programme is not simply a set of capital projects that can be dealt with on a project-by-project basis. It is a programme to expand the delivery of basic services to poor households and to alleviate poverty. This approach is reinforced in the Division of Revenue Act: “MIG will not fund specific projects, but is designed to complement the capital budgets of municipalities.”

Within the MIG programme, there are planning and reporting requirements from both a programmatic and a project perspective. In addition there are important linkages between MIG programme processes and MIG project processes. For example, a MIG project cannot be registered unless it has been included in the three-year capital plan. The three-year capital plan cannot be prepared without referring to the MIG allocation in the Division of Revenue Act since this allocation defines the percentage of funds that the municipality can spend on different types of infrastructure (stormwater, roads and so on).

Operational and Maintenance Costs

The municipality budget makes provision for the ongoing operation and maintenance costs of the infrastructure. This is also a condition of MIG. This condition is designed to ensure that all infrastructures that are funded by MIG are sustainable in terms of the ongoing operating and maintenance costs. The operation and maintenance costs will either be covered by revenue collected from consumers, and/ or by equitable share.

MIG and Infrastructure Planning

Managing MIG is about managing infrastructure development for basic services. The starting point for any infrastructure development programme is planning. Integrated development planning is the starting point for all MIG projects.

The MIG and Integrated Development Planning:

Integrated development planning is a process through which uPhongolo Municipality prepared a strategic development plan for a five-year period. The IDP is a product of the integrated development planning process. The IDP is the principal strategic planning instrument, which guides and informs all planning, budgeting, management and decision-making in uPhongolo Municipality.

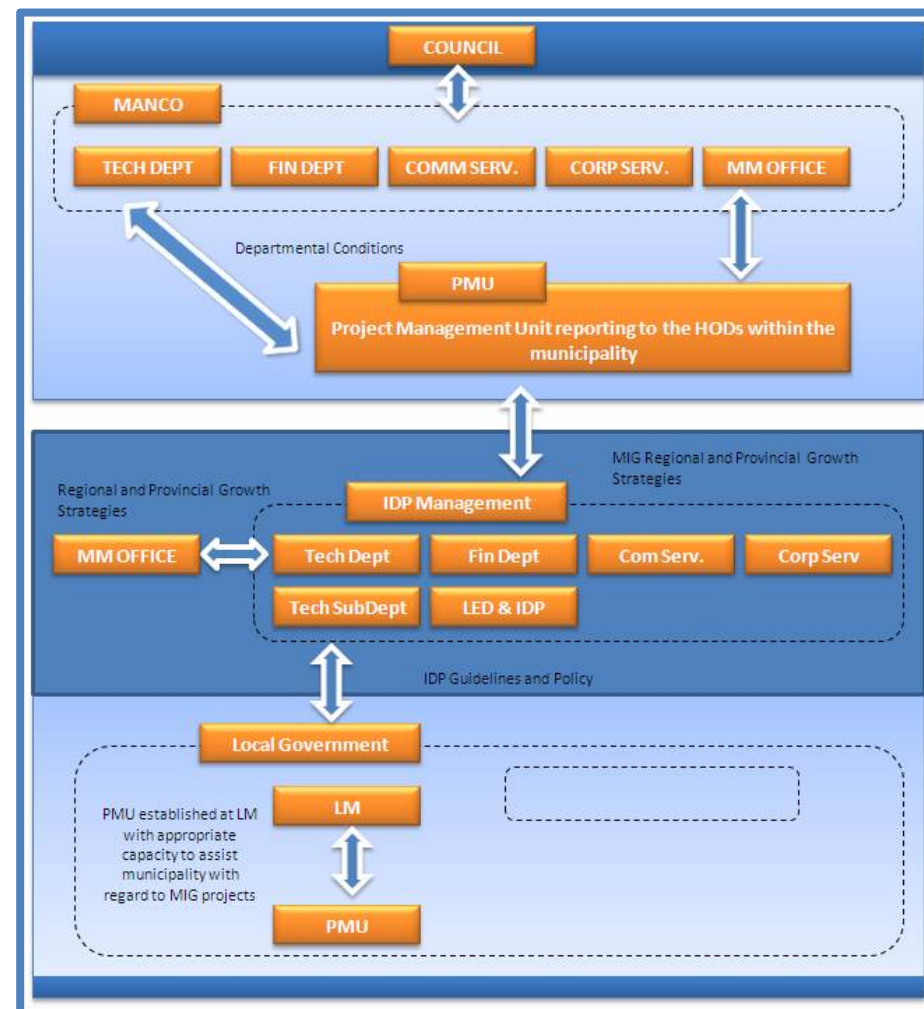
1.2.2 How is the programme supported by other units?

Interaction between the Management, various departments and the Project Management Unit

- All communication from the Project Management Unit will be via the Municipal Managers Office indicated on the Departmental Management flowchart on the following page.



STAFF STRUCTURE MIG:



- The PMU communicates directly with the Municipal Manager and CFO on financial matters (disbursement of funds, etc.), with a copy of the summary of the discussion submitted to the relative HODs.

Interaction between PMU, Municipality and project consultant/s

The PMU and project consultant/s will communicate directly to each other and report to the Municipal Manager.

Meetings

In order for the Project Management Unit to conduct its primary and overall functions and to monitor the compliance of crosscutting and department specific conditions as well as progress, the following meeting was implemented on a monthly basis as well as Site meeting between Consultants and Contractors monitor by the PMU Manager:

Monthly Progress Meetings

This meeting was between the PMU and Consultants / Municipal Manager and relevant HOD's.

Chairperson	:	Manager PMU
Co-ordinator	:	Municipal Manager (and alternate members of the three Senior Managers of the Municipality)
Intervals	:	Monthly
Dates	:	Meeting schedule to be provided by PMU Office
Venue	:	Municipality's offices
Attendance	:	Municipal Manager, PMU Manager and Management Unit /Consultants
Purpose	:	<div>To monitor:<ul style="list-style-type: none">• overall progress (financial, project implementation)• compliance of conditions of proposal• achievement of specified KPIs• the establishment of PMU• Labour intensive projects• Infrastructure categories and funding elements• Three-year development plans (submission & compliance)</div> <div>To discuss:<ul style="list-style-type: none">• project registrations, MIS and IT related matters• administrative matters• auditing requirements• IDP issues• financial matters• communication• reporting formats/requirements• problems experienced and possible solutions / suggestions/on Construction of Projects</div>

The Project Management Unit did respond to compile, finalize and distribute the minutes of the monthly meetings within seven working days after the date of the meeting to all relevant parties.

The progress meeting's agenda was distributed to all the relevant parties at least seven working days before the meeting.

1.2.4 *What is the approach for capacity building for the staff within the programme? Is there any consideration for alternative solutions to capacitate staff in the programme?*

Capacity is being outsourced and Lekwa Consulting Engineers and Project Managers are appointed as the PMU Managers to the MIG programme on behalf of the uPhongolo Municipality up to February 2013.

1.2.5 *Defined communication structures within the department Community Liaison / Development:*

It was critical to the success of the programme that there was the appropriate communication and liaison with the community in respect of project planning and implementation to ensure buy-in and long term sustainability of the projects in terms of the community understanding the need to pay for services as well as the development of community-based partnerships for the purposes of O&M as discussed above under the point project-based capacity building, which happened through the IDP process.

See also Support by other units.

1.2.6 *Define key challenges met within this aspect of the programme*

- Primarily responsible to integrate, co-ordinate, project-manage and financially administer the MIG.
- Ensure project compliance with all applicable legislation, policies and conditions applicable to MIG.
- Project performance and cash flow reviews.
- Liaison with the Provincial and the Senior MIG Manager as well as other line function departments through formal regular evaluation / progress meetings and on an ad hoc basis.
- Submission of monthly, quarterly, bi-annual, annual and ad hoc reports to CoGTA as determined in applicable legislation or required by the MIG Management unit.
- Responsible for the management of the PMU team and their respective outputs.

Part 2: Monitoring

1.1 ***Define the monitoring approach; map the process (on what basis is data collected; issues around data sources and data collection methodologies). Who is responsible for each of the tasks within the map?***

See Responsibility Matrix and Activity List

1.2 ***How is data analysed and reported for implementation purposes? MIG and sector plans***

Integrated development planning is an inter-sectoral planning process. Sector plans such as Water Services Development Plans (WSDPs), Integrated Transport Plans (ITPs) and Integrated Waste Management Plans feed into the IDP process, and IDP decisions feed into the sector plans. Sector plans need to provide technical input to the IDP process and the IDP process needs to guide the identification of priorities and targets in sector plans. There is therefore an interactive process between the IDP and sector plans. Basic services projects identified in sector plans were integrated into the IDP in order to qualify for MIG funding.

1.3 ***How is data analysed and reported for performance requirements? Integrated development planning and Project Feasibility Studies***

The projects identified as part of the IDP process are 'provisional projects' until they have been through a project feasibility study.

MIG funds were used to undertake project feasibility studies for MIG projects (in other words infrastructure for basic services only.) The PMU together with other appropriate structures within the municipality and Consultants/ Engineers decide on the extent of the feasibility study, whilst a small project is unlikely to require an extensive study. However there were other factors that influenced the extent of the project feasibility study, for example environmental factors, financial viability, institutional considerations, and so on.

Depending upon how the project feasibility study is prepared, it may also include a business plan for the project. In such cases it was not necessary to prepare a separate business plan.

Once a project feasibility study found a project to be viable and sustainable, the project was approved by Municipal Council. This meant that the project could be included in the MIG programme from the IDP. Therefore taking all the above into Account, the Data was put together to uniform information and performance was measured against it per project.

1.4 ***Who is responsible for data analysis and report generation (financial and non-financial reports)?***

The PMU Manager is responsible in conjunction with the Consulting Engineers for the contract.

1.5 ***Define the challenges met with the monitoring and reporting tasks***

- Final compilation of monthly, quarterly, bi-annual and annual reports to the MIG Manager.
- Monitor the consolidated cash flow performance reports on each project and on the regional programme collectively.
- The funds allocated for projects can only be used for capital investment and cannot be used to finance operating expenditure other than the prescribed percentage permitted for the operation of the project management unit.
- Verify and reconcile quarterly transfers from national to the Province and uPhongolo Local Municipality.
- Compile all the financial reports (DORA). Examples attached to document.
- Audit compliance of all legal conditions, required from the different spheres of Government.
- Audit and administer the monthly claims and expenditure.

Part 3: What are the results and who benefited?

3.1 ***Define the outcomes and outputs set for 2011/12***

uPhongolo Municipality managed to ensure that the local economic spin-offs through providing infrastructure was maximised. This includes employment creation. The Municipality supported the community development initiatives as part of achieving sustainable livelihood and poverty eradication. Economic research and studies

was conducted in order to determine economic constraints and opportunities for further development via the IDP. Decisions relating to the prioritisation of municipal infrastructure and service delivery spending, such as the identification, selection and approval of projects, are best undertaken at municipal level, with the following provisions:

- the operating finance and management arrangements were put in place in the three year Capital Plan;
- a degree of national and provincial influence over capital spending, expressed through clear norms, standards and spending conditions must be retained; and
- unintended consequences were limited: the grants that are allocated e.g. MIG
- Municipal Infrastructure Grants did promote sound management practices.

3.1.1 Key MIG outcomes particular to uPhongolo Municipality

The MIG projects were approved by the National Department of Provincial and Local Government.

3.1.1.1 Ext 4 Roads and Storm Water;

Scope of work;

The scope of work for the Project Pongola Ext 4 Roads and stormwater will include the design, construction and implementation of the internal streets, access roads, joining to existing N2 & R66 intersections and all related stormwater channels and infrastructure required for the effective stormwater drainage in the new development. The development land was to be utilized as residential and business development. 6.68km Roads in this development would range from 5.4 to 7.4m wide with numerous concrete and armorflex different sized water channels. Design and tenders completed constructions commenced in March 09.

Construction cost;

Total Construction Cost R 27,741,967.09 (Incl. VAT)

Engineering fees:

Total Professional Fees R 5,527,752.90 (Incl. VAT)

Due to cost increases and a scope of work that was changed an AFA application was completed for additional funding so to be able to complete the entire project.

ALLOCATION APPROVED:	R34,550,455.98
MIG REGISTERED VALUE	R 11,500,000.00
AFA NO 1	R23,050,455.98
TOTAL DIRECT	R27,741,967.09
RETENTION vat incl.	R 2,774,196.71
DIRECT	R 27,741,967.09
INDIRECT (Tendered)	R 5,527,752.90
TOTAL MIG	R 34,550,455.98

MIG REGISTERED:

REGISTERED	R34,550,455.98
TOTAL DIRECT	R27,741,967.09
RETENTION	R 2,774,196.71
DIRECT	R27,741,967.09
INDIRECT	R 5,527,752.90
TOTAL	R34,550,455.98

An amount of R1,000,735.94 will be utilized during Construction for internal services e.g. water, electricity and sanitation amendments

3.1.1.2 Construction of Gravel Access Roads and Storm Water;

Scope of work;

The scope of work for the Project Access Roads and related Stormwater Infrastructure in Wards 1,3,4,5,6,7,8,9,10,11,12,13 & 14 is to increase the living standards of residents residing in the various Wards by rehabilitating existing access roads and stormwater related infrastructure. The access roads will mainly provide access to villages, public amenities such as churches, schools, clinics and access and exit to the N2 National Road.

Construction cost;

Total Construction Cost R 12,256,813.80 (Incl. VAT)

Engineering fees:

Total Professional Fees R 5,586,206.90 (Incl. VAT)

Finance:

ALLOCATION APPROVED: R40,500,000.00

TOTAL DIRECT	R12,256,813.80
RETENTION vat incl.	R1,114,255.80
DIRECT	R12,256,813.80
INDIRECT (Tendered)	R 5,586,206.90
TOTAL MIG	R40,500,000.00

MIG REGISTERED:

REGISTERED	R40,500,000.00
TOTAL DIRECT	R12,256,813.80
RETENTION	R 2,774,196.71
DIRECT	R1,114,255.80
INDIRECT	R 5,586,206.90
TOTAL	R40,500,000.00

3.1.1.3 NCT STW Phase 3;

Scope of work;

The scope of work for this project would consist of the construction of 2,4km concrete lined stormwater channels, 40 concrete vehicle entrances, 0 m culverts and 22m of stormwater pipes to fit the allocated available budget. Design and tender completed, construction commenced in March 2009. AFA scope of work – earth lined storm water canal, fencing, gabions and Road crossings to convey storm water to the nearby river.

Construction cost;

Total Construction Cost R 2,069,977.80 (Incl. VAT)

Engineering fees:

Total Professional Fees R 391,875.00 (Incl. VAT)

Finance:

PROVINCIAL

MIG REGISTERED VALUE	R2,736,000.00
AFA 1	R1,227,995.38
TOTAL DIRECT	R3,537,986.27
RETENTION (10%)	R321,635.11
DIRECT	R3,216,351.16
INDIRECT (Tendered)	R 634,238.99
TOTAL MIG	R3,963,995.38

MIG REGISTERED:

REGISTERED	R2,736,000.00
AFA 1	R1,227,995.38
TOTAL DIRECT	R3,537,986.27
RETENTION	R321,635.11
DIRECT	R3,216,351.16
INDIRECT	R634,238.99

An AFA was submitted dated 5 March 2009 for the total amount of R1,227,995.38 (Incl. VAT) in order to complete the project. The AFA was approved in September 2009 by CoGTA for the total amount of R1,227,995.38 (Incl. VAT).

3.1.1.4 Report on PMU:

Scope of work;

The design, management and implementation of the Programme Management System for uPhongolo Local Municipality, Actual Monitoring and Co-ordination of MIG Projects and reporting on the progress of the MIG programme to the Department of Local Government (CoGTA) and the Provincial Department.

Programme/Project Management:

The PMU is responsible for the management of the local infrastructure programme (municipal scale) as well as the physical project implementation activities and to ensure that:

- all projects meet overall planning objectives and specific key performance indicators as determined by the Department of Provincial and Local Government (**CoGTA**).
- the co-ordination of regular progress meetings at local level and representation at the national progress meetings.
- the associated project management administrative functions from project registration, evaluation through to the final project completion reports.

PMU Structure:

Staff Structure and Costing:

The PMU was funded from the MIG grant allocation made available to the municipalities. It was responsible for 5% of the total grant allocation for the municipality. In this particular instance it was envisaged that the MIG unit should develop further methods for ensuring the cost efficiency of the PMU.

The PMU was responsible for:

- Financial Management Services
- Project Identification/Feasibility Process
- Contract administration
- Programme/Project Management
- Project Monitoring and Evaluation
- Project based Capacity Building
- Operational and Planning Maintenance
- GIS and Community Liaison Development.

And received strategic and policy guidance from the Provincial MIG Programme Manager (PMM).

The personnel composition was not representative of a fully inclusive PMU team, due to the lack of finance and could change in

future depending on capacity constraints within the municipality from time to time.

Capacity building is associated with improving the ability of the municipality to become involved and understand how to implement project planning and the construction of projects.

Therefore, the main focus of the PMU was on building capacity and ensuring that the municipality fulfills its function in the delivering of basic services to the community.

Items requiring special attention;

uPhongolo Local Municipality was further assisted in the establishment of the PMU unit and it is still ongoing. The business plan for the PMU Management Function and Management Guideline Document were approved by the Department of Cooperative Governance and Traditional Affairs.

Finance:

The PMU Unit ensured that they stay within the budget for these projects. Furthermore, the PMU unit ensured compliance specifically to the Division of Revenue Act and other related acts. The reporting was done timeously within the deadlines to submit to the relevant departments.

The management of PMU funds was on track. uPhongolo Municipality was one of the first few receiving Municipalities in the province to achieve a 100% success rate for the expenditure in 2006/2007 and the PMU function.

Scope of work;

The design, management and implementation of the actual projects and reporting to the National and Provincial Departments.

Items requiring special attention;

It needs to be emphasized that the Consulting Engineers provided engineering services of a high quality.

The Contractors in general delivered quality products.

Finance:

The Municipality stayed within the budget for these projects as mentioned above. As indicated in the Graph hereunder, the expenditure was consistent. The remaining funds were allocated over the final three months from April 2011 to June 2011 in order to successfully reach our 100% expenditure target. Final payments for the 2010/2011 financial Year were submitted in June 2011.

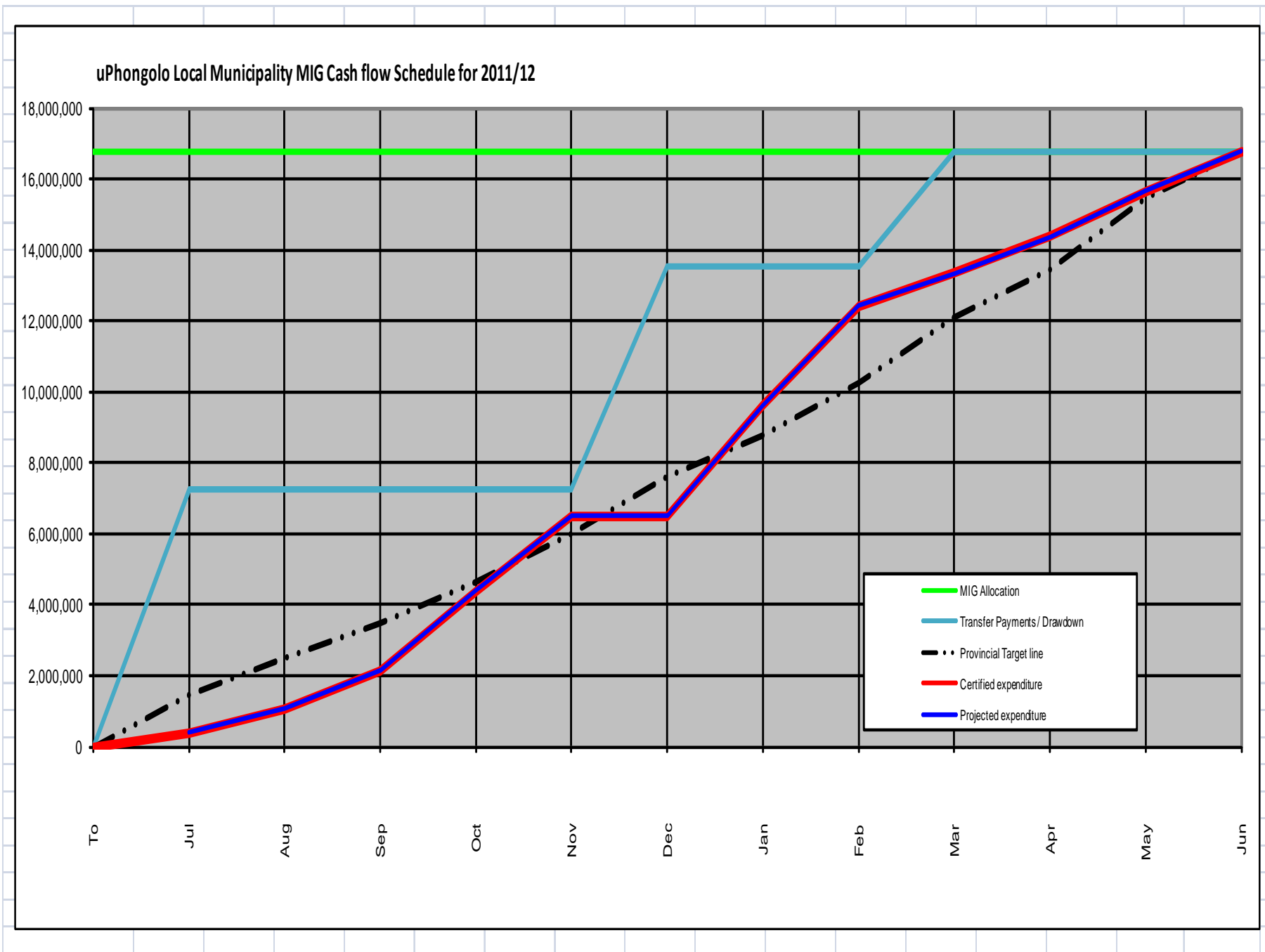
The following retention was paid out in 2009/2010 financial Year:

Ncotshane Stormwater Phase III:

June 2012 R52,357.64;

Pongola Roads and Stormwater Ext 4 – AFA 1- Phase 1 Feb 2011

R503,671.54



3.2 *To what extent have these outcomes and outputs contributed to achieving the programme objective(s) or can be expected to do so in the future? Is there a gap between planned and actual outcomes and outputs?*

Ext. 4 Roads and Storm Water

Pongola Ext. 4 has been phased in five (5) phases. Phase 5, which consists mainly of the Business area which has been sold to a Developer. The streets and storm water drainage infrastructure will form part of the Developer's agreement with the Municipality.

Ncotshane Storm Water Phase 3

None to be recorded

uPhongolo Access Roads

None to be recorded

3.3 *Have there been unforeseen outcomes and outputs or unforeseen beneficiaries?*

Ext. 4 Roads and Storm Water

See item 3.1 here-above.

Ncotshane Storm Water Phase 3

None to be recorded

uPhongolo Access Roads

None to be recorded

3.4 *What were the assumptions and risks monitored during 2011/12?*

Ext. 4 Roads and Storm Water

Ext. 4 Roads and Storm Water

Internal sewer infrastructure consists of septic tanks and French drains and is operated and maintained by the Zululand District Municipality. The operating and maintenance remains a challenge. The overflowing causes damages to the layer works of the roads.

Ncotshane Storm Water Phase 3

None to be recorded

uPhongolo Access Roads

None to be recorded

3.5 *Have assumptions/risks affected the project? If yes, how did this affect the programme? If no, how did the programme manage this?*

Ext. 4 Roads and Storm Water

Sleeves were installed to provide for future water, sewer and electrical reticulation networks. This was deemed necessary to prevent damages to surfaced roads at installation of other services crossing.

Ncotshane Storm Water Phase 3

None to be recorded

uPhongolo Access Roads

None to be recorded

3.6 **Conclusions**

3.6.1 *What were the main successes and failures of projects to date? (causes underlying the outcomes and outputs)*

Phases 1 & 2 have been successfully completed within the time-frame allowed, the approved budget and the required specifications.

Ncotshane Storm Water Phase 3

The Ncotshane RDP Housing bulk storm water project including the project funded by the AFA have been successfully completed within the time-frame allowed, the approved budget and the required specifications.

uPhongolo Access Roads

The jurisdiction area of the uPhongolo Municipality has been demarcated to include fourteen (14) Wards where-as the planning was done to include eleven (11) Wards. The planning will be revised to make provision for the demarcation that has changed.

Implementation of the project is affected by the newly elected Council. In order to provide them with the opportunity to confirm priorities, additional planning and design time will be required.

3.6.2 Do the outcomes, outputs, successes and failures justify the costs?

Ext. 4 Roads and Storm Water

Yes.

Ncotshane Storm Water Phase 3

Yes.

uPhongolo Access Roads

None to be recorded

3.6.3 Were the objectives achieved within the specified time & budget?

Ext. 4 Roads and Storm Water

Yes.

Ncotshane Storm Water Phase 3

Yes.

uPhongolo Access Roads

Yes.

3.6.4 Would there have been different ways of achieving the same outcome?

Ext. 4 Roads and Storm Water

No.

Ncotshane Storm Water Phase 3

No.

uPhongolo Access Roads

No.

3.6.5 How far have the project activities been embedded in local institutions structures to ensure sustainability or acceptance of the programme within the department?

Ext. 4 Roads and Storm Water

The project implementation team includes the Ward Councilor, the Council, the HOD: Technical Services, the PMU Unit.

Ncotshane Storm Water Phase 3

The project implementation team includes the Ward Councillor, the Council, the HOD: Technical Services, the PMU Unit as well as the neighbouring sugarcane farmer.

uPhongolo Access Roads

The project implementation team includes the Ward Councillor, the Council, the HOD: Technical Services, the PMU Unit.

3.6.6 Were there any other stakeholders adequately prepared for project activities (technically, financially, etc)?

Ext. 4 Roads and Storm Water

SANRAL was involved in the planning of roads intersecting with the N2.

Ncotshane Storm Water Phase 3

Neighbouring sugarcane farmers were involved in the planning of security fences and storm water drainage infrastructure.

uPhongolo Access Roads

No.

- 3.6.7** *Should the project be re-oriented and in particular should all activities continue? If not, describe how the project should be re-oriented and summarized, in terms of outcomes, outputs, activities and inputs.*

Ext. 4 Roads and Storm Water

No.

Ncotshane Storm Water Phase 3

No.

uPhongolo Access Roads

See item 3.6.1 here-above.

3.7 Lesson Learned

- 3.7.1** *What lessons can be drawn specifically in relation to the project?(policies, instruments and any other facts deemed necessary for the programme to succeed)*

Ext. 4 Roads and Storm Water

The management of other municipal infrastructure such as water and sewer services by the District Municipality remains a challenge to coordinate with services managed by the Local Municipality.

Ncotshane Storm Water Phase 3

The management of other municipal infrastructure such as water and sewer services by the District Municipality remains a challenge to coordinate with services managed by the Local Municipality.

uPhongolo Access Roads

None to be recorded

3.8 Recommendations

3.8.1 Programme design

Ext. 4 Roads and Storm Water

None to be recorded

Ncotshane Storm Water Phase 3

None to be recorded

uPhongolo Access Roads

None to be recorded

Programme monitoring

The MIG programme was monitored by the PMU on behalf of the Municipality strictly subject to the applicable legislation.

Programme management

The PMU unit is assisted by a Consulting Engineer & Project Manager with the implementation of the various projects strictly subject to the applicable norms and standards required by the programme.

3.9 Any other factors deemed important for programme success

None to be recorded

1.4 UPHONGOLO MUNICIPALITY – TECHNICAL DEPARTMENT

The full range of services offered by the Department includes the following:

INFRASTRUCTURE PLANNING AND DEVELOPMENT:

- Town Planning and Development
- Building Activities and Management
- Geographical Information System
- Belgrade Community Management and Service Delivery
- Caravan Park
- Cemetery Management
- Municipal Buildings
- Municipal Offices
- Parks and Gardens
- Roads and Stormwater
- Technical Department Administrative Functions
- Workshop and Fleet Management
- Aerodrome
- Landfill Site and Refuse Management
- Sewer – departmental
- Electrical Network and Management
- Water – departmental

Planning and Community Development Department

This department is successful and consists of the following:

- Town Planner and IDP Manager
- Assistant to Town Planner
- GIS Officer
- Administrative Secretary

The function includes inter-alia the following:

IDP (Integrated Development Plan)
GIS (Geographical Information Systems)
Land reform
Sector Planning
Business Planning

IDP:

The 2011/12 IDP was successfully completed, adopted by Council and approved by the Department of Local Government and Traditional Affairs. The new Council has indicated that they intend to reprioritize some projects that were approved but where implementation has not yet commenced.

The implementation of projects contained in the IDP is being implemented by Municipal staff under the supervision of the Heads of Departments.

The preparation phase for the 2012/2013 IDP is in progress and the Draft Process Plan need to be submitted to COGTA for comments. The format and focus of the IDP is being changed by the Department of Cooperative Governance and Traditional Affairs (COGTA). This will impact on the process of preparation as well as having an impact on the time and budget associated with the process.

The support of the District Municipality (Zululand) is paramount to the process of IDP preparation. It was agreed that the ZDM will play a stronger part in the collection of information relating to the activities and programs of the various Government Departments.

The ZDM is also responsible for extend the model to determine backlogs in the areas of the local municipalities. The model is GIS driven and will make use of information from the household count, access and the relevant Department's standard. This model will provide valuable information regarding backlogs for facilities e.g. schools; clinics; police stations etc.

The proposed changes necessitate the involvement of Management as a unit.

TOWN PLANNING

Statutory Planning

Statutory planning for the uPhongolo municipal area at present falls under the auspices of the Provincial Planning and Development Act (PDA). This Act has replaced the Town Planning Ordinance and ensures that uniform legislative procedures are applicable in the whole municipal area.

uPhongolo Municipality was one the first in the KZN province that was ready to implement the Act due to the timely advertisement of its Delegations.

The Municipality need to proceed with the compilation and finalization of its LUMS as a requirement of the PDA.

2.1.1 Land Use Management and Geographical Information System(GIS):

The Manager: Town Planning compiled a Business Plan and requested assistance from COGTA to complete the municipality's Land Use Management System(LUMS). The request was acceded to and COGTA appointed a Service Provider to compile Phase 1 of the LUMS. This phase consists of Schemes for:

- The existing Pongola Town Planning Scheme area
- Ncotshane
- Sugar mill
- Golela
- Magudu
- Area surrounding Pongolapoort Dam

This phase is in the process of completion and the target date for submission to the MEC in terms of the PDA is by the end of March 2013. The Manager: Town planning requested COGTA to assist the municipality further in order to get Phase 2 completed to enable the Municipality to comply to the legal requirements by having a wall-to-wall LUMS by 2014.

Land use control within the Town Planning Scheme area

Land use control within the Scheme boundaries (the proclaimed Pongola town) is being conducted by means of Council's special consent, rezoning, township establishment, subdivision and consolidation processes and building control through plan submission and the implementation of the PDA.

Land Use Control outside the Town Planning Scheme area

1. PDA:

The Provincial Planning and Development Act (PDA) is legislation that is being implemented in the province. The legislation can be used for every kind of land use rights application. The PDA is in full use at the municipality and all applications are processed in terms of the Act.

2. Belgrade settlement:

The Belgrade settlement area is on Ingonyama Trust owned land and needs to be formalized. A Business Plan was drawn up by the Manager: Town Planning and submitted to COGTA to do a Development Framework Plan for Belgrade with the required outcome the application of funding for the formalization of the area. The Business Plan was approved and the Funding received. The project has been awarded to a Service Provider through the municipality's Supply Chain Management process and ought to be completed during 2010.

The appointed Service Provider did not deliver on the project and authorization is sought from COGTA to appoint another service provider.

COGTA approved the appointment of another service Provider and the project will be completed by January 2013, where after the municipality will seek funding to proceed with the formalisation of Belgrade settlement.

3. Golela Border Post:

The formalization of the Golela Border Post including the settlement area is in progress. The Department of Works has undertaken the layout of the town including the Border Post and its associated land uses. The Department has submitted a development application in terms of the Provincial Planning and Development Act to the Municipality. The approval of the PDA application will ensure the legalisation of the development of the project's residential component.

4. Other Developments Initiatives

Extension 7 – The properties in the area is in popular demand. Most of the available sites have been sold in terms of the municipality's Land Disposal Policy and some of the proposed uses for these sites are as follows:

- Mosque
- Church
- State Forensic Mortuary
- Mthashana FET College Campus
- 64 residential sites
- Offices for the Department of Education
- Clinic

- Sodwana Corridor and CBD – This project is in process and the Municipality needs to appoint an Urban Designer to compile a plan for the future development of the area.

- Business sites in Extension 4 – the provision of water and sewer to the area by ZDM is delaying the sale of business property. ZDM indicated that the implementation of services can take place in the 2012 – 2015 financial year. A hold will thus have to be placed on the sale of these sites until such time that the capacity of services are sufficiently increased to accommodate the development of the area.

- A Call for Proposals was done for the development of a regional shopping centre in Extension 4 next to the N2 and the Nongoma road. A developer for the project was appointed and the project has been commenced with. The actual project will still take some time due to land legal, environmental and services issues that need to be attended to. The PDA application for development rights was submitted and is in the process of being processed in terms of the Act.

This project was put on hold due to non-performance by the developer.

- Lot 219 for residential development – the sale of these sites on public auction can be concluded on approval from the MEC and once

the sites has been registered and serviced. This project is also dependant on the ZDM for services.

- Gumbi Land Reform Project – ZDM and the Municipality is working closely in order to accommodate the Gumbi tribal authority in providing services to the existing settlement (Candover) and planning the 3 additional settlement areas. A service provider for the formalisation of the Gumbi area has been appointed by the Zululand District Municipality. The lay out plans for the settlements were approved and the three smaller settlements has been surveyed and pegged. The project is at present being held up due to unclarity regarding the NEMA application, the land legal and ownership issues regarding the project.
- Candover Market Stalls – A Service Provider was appointed to lodge the PDA application for this project. Regular Steering Committee meetings are held to ensure the successful completion of the application. The PDA application was be submitted for evaluation but the comments of the National Department of Agriculture and Environmental Affairs is still awaited. Members of the Steering Committee is also applying for funding from various sources to ensure the implementation of the project once the PDA application has been approved.

SPATIAL DEVELOPMENT FRAMEWORK (SDF)

The Municipality's SDF was done in 2006 and it is due for a review to reflect the spatial dimensions of the current IDP. The Manager: Town Planning compiled a Business Plan and requested assistance from the Department of Land Affairs and Rural Development with the drafting of the Municipality's SDF. The result of this application is still awaited.

STAFF CAPACITY:

The Planning and Development section consists of a Town and Regional Planner, a GIS official and the building inspector.

The building inspector's position is a 5 day a month contract post. It was agreed within the technical department that a junior person needs to be employed and trained in order to have a full time staff member available to conduct site visits in order to eliminate unauthorized building and land use activities. This action was completed and a full time person has been appointed.

The town planner post is also a contract post on the basis of 100 hours a month for a 3 year period that will end during June 2013.

The GIS position is a full time position.

ZULULAND DISTRICT MUNICIPALITY:

Liaising with the Zululand District Municipality regarding planning and development is taking place. Specific reference is being made with regards to the IDP process, planning and new layouts, building plans as well as service delivery (water and sewer).

The present situation where the water and sewer works for Pongola has reached maximum capacity is an extremely serious barrier for the development of the town. This issue has reached crisis proportions should it be taken into consideration that it will have a negative influence on the proposed developments of the regional shopping centre, the FET College Campus, the 64 residential sites development and the development of residential sites on Erf 219. The seriousness of this situation was brought once again to the attention of the ZDM during the District Planning and Development Summit that was held in Pongola.

It was agreed that staff meets on a monthly basis. Unfortunately these meetings have been irregular and ZDM's attention needs to be drawn to the necessity of the meetings.

GIS:

The main focus of the GIS unit is to offer information sharing in the form of maps and plans.

The focus of the achievement with the unit over the past five years was:

- Setting up and maintain a data base
- Appointment of a full time GIS Officer
- Designing of a Web based System
- Developing a tool for the capture and maintenance of data information
- Developing of web GIS mapping
- Initiating the development of electrical network plan
- The GIS forum has been formed to ensure the accurate and current GIS data development.

Daily management is maintained with reference to geographic information, which is required for infrastructure or any activities which needs to be upgraded.

Shared services have been implemented and a GIS Officer has been appointed within the District Municipality to assist the 5 local Municipalities with their GIS systems.

ACHIEVEMENTS:

CORE FUNCTIONS OF THE ACHIEVEMENTS INCLUDE:

- Facilitation of workshops
- Skills Development in the IDP
- Support of the IDP Process
- Building of relationships

SYSTEM DEVELOPMENT:

Systems development and process management have been a key focus area for uPhongolo. Since its establishment, the uPhongolo Municipality through the Technical Service Department and methodologies to assist in ensuring the service delivery is carried out efficiently and according to plan. These initiatives are given below.

- Godlwayo cultural village
- KwaGumbi communal gardens
- Truck stop development
- uPhongolo

BUILDING INSPECTORATE:

The purpose of the Building Inspectorate Division is to control all building activities in compliance to the National Building Regulations and Standard Act. The above Division comprises of a Building Control Officer and a Junior Building Inspector who is currently being trained and mentored by Building Control Officer.

According to Section 6 of the National Building Regulations and Standard Act states that plans submitted for approval can be approved on the recommendations of a Building Control Officer in terms of the said Act.

The function of the Building Inspectorate Division is to apply the Act, also in conjunction with comments from the other Departments of the Municipality, which have to be complied with before approval can be granted. The main objectives for building control, is to maintain order and to update all outstanding information and to collect all the revenue in the form of outstanding rates. Revenue is obtained from building plan fees, updates of rates, fines from prosecutions and As Built drawings for clearance certificate applications.

- Plans with supporting documents are submitted and approved.

Establishment of Geographical Information System Unit

Installation of permanent Internet Link

Development of the Settlements data set

Development of Map Viewer

Development of the meta-data management tool

Development of web based GIS

- During construction, compulsory inspections are carried out at different stages.
- At completion, all compliances certificates to be submitted before occupation certificate can be issued, i.e. (soil poisoning, electrical, plumbing and treated roof timbers)
- Then valuation to be done and the applicable rates to be charged.
- This information helps to the update of the Valuation Roll which is renewed every 5 years.

1. New Buildings:

- Check requirements for the submission of building plans.
- Plans with supporting documents to be circulated to the different sections for comments and approval.
- On valid comments from the different sections a referral letter to be issued for the correct amendments to be complied with before approval can be granted.
- The approval forms have specific conditions that have to be complied with.
- From June 2011 to date – 85 new plans have been submitted for approval.
- Plans approved for the same period were (14) fourteen.
- Of these (35) thirty five were new buildings and (9) nine were additions and alterations.
- Also (5) five are for boundary walls and (1) one for market stalls.
- Twenty eight (28) were for As Built drawings for clearance certificate applications.
- Completed and occupied are (20) and eight (8) still under construction.

2. **Additions and Alterations to existing:**

- The same conditions as new buildings apply.

3. **Minor Works:**

- As granted and approved by the recommendations of the Building Control Officer in accordance with the National Building Regulations and Standards Act.

4. **Business Applications:**

- All new applications and support documents to be checked and approved by the Town Planning Section and Building Inspectorate Section.
- Require floor and fire plans of the existing or new building.
- Copy of ownership or lease agreement.
- The type of use to comply with town planning zoning.
- From June 2011 to date 37 applications have been received.

5. **Clearance certificates:**

- Before issue of the clearance certificate to check if all existing building plans are in order, if not then As Built drawings required.
- For vacant land, to check if conditions of Sale Agreement have been complied with and required proof of full payment of land.
- From June 2011 to date 218 applications have been approved.

6. **Rates:**

- To check if any additional buildings or work done to the existing structure, compared to what the current rates being paid?
- This function is ongoing when our current work is up to date.

7. **Illegal buildings/structures:**

- Any unauthorized buildings/structures or building activities to be checked and stopped by the issue of B.C.1 then B.C.2 and Attorneys letter to end with court proceedings.
- From June 2011 to date 352 B.C.1 notices have been hand delivered, so has 200 B.C.2 notices.
-

- So far 21 Attorneys letters have been hand delivered, thereafter a J175 document is opened at the local SAPS then a summons is issued for the offender to appear in Court.

8. **Prosecutions:**

- A B.C.1 notice is issued to the offender to stop all work with immediate effect and to lodge the required application documents.
- If no reply or response after 14 days, then issue a B.C.2 notice also for the 14 days.
- Thereafter to issue Attorneys letter maybe for 7 to 14 days, which the Attorney then has to set up a civil case to be contested in court.
- Please note that the notices and letters can be issued by the local Law Enforcement Officers, i.e. the Traffic Officers with the Building Inspector/Technician.

9. **Occupancy Certificates:**

- An Occupancy Certificate is issued when a new building is complete and ready to be occupied and the same applies for additions alterations for all types of buildings according to Section 14 of the National Building and Regulations and Standards Act.
- From June 2011 to date 15 certificates have been issued.

Comments to Note:

- A steady decline in the number of building plans have been observed over the past months and an increase in inquiries regarding building requirements is been noted, due to fact that of the increase of notices issued by the Junior Building Inspector.
- Some concern is raised about the unauthorized building activities been carried out, it is recommended that routine inspections other than those performed by myself and the Junior Inspector be conducted by the Technical Department regularly, in order for Notices to be issued.

This department is successfully introduced and consists of the following:

- Building Inspector
- Jnr Building Inspector
- Admin secretary

The Building Inspections are done according to National Building Regulations.

The department is semi-privatized by Sheena Consulting. The service is rendered on a very high level.

Building management and inspections is performed according to the SABS 00400 National Building Regulations.

WATER SERVICE AUTHORITY:

Zululand District Municipality took over the function since 1 July 2006 and all related information was obtained from uPhongolo Municipality as required.

Raw water is purchased from Impala Water Users Association, which is extracted from Pongola River and a raw water canal system.

Technical Administration and related functions

This sub department functions very well. All incoming mail is replied to on a regular basis and the community is served on a professional basis.

The Service Authority Committee is established which serves as a liaising authority between the Community, Pongola Municipality and Zululand District Municipality.

ROADS AND STORMWATER:

The Technical Department performs and undertakes the following maintenance and upgrading as per Maintenance Plan and Budget Provision:

The maintenance of gravel roads – 228 km

The construction of gravel roads (informal roads) – 114 km

The construction of sidewalks – 24 km

Maintenance and construction of stormwater – 111 km of open V-drains, 42 intersection stormwater course ways

Maintenance of parking areas – 10 Areas

Repair and Maintenance of tar roads – 58 km (3x for the year 2011/2012)

MAINTAIN AND ERECT FENCES:

- Airstrip: 100 m
- Ncotshane Cemetery: 1.4 km
- Belgrade Cemetery: 100 m
- Pongola Cemetery: 75 m
- Town Boundary Ext 219: 800 m

ROAD MAINTENANCE PROGRAMME

The roads situated in the Greater uPhongolo are subdivided as follows:

BELGRADE:

MIG Funding was applied to upgrade the outstanding gravel roads and allocation is awaited.

Various gravel roads in Belgrade were maintained and graded to an acceptable standard. 28 KM roads in Ncotshane needs to be regavelled which have a major negative impact on service delivery and early in the financial year 2012/2013 this maintenance will be instituted.

Street names to be allocated via the Ward Councillors. Names approval to be obtained from Council.

NCOTSHANE: WARD 2&10 (URBAN AREA)

124 kms of gravel roads exist, 18 km of tar roads and 2.1 kms of paved roads.

Various gravel roads in Ncotshane were maintained and graded to an acceptable standard.

PONGOLA: WARD 11 & (URBAN AREA)

i. Roads

48 km of roads exist, 33 km of tar roads and 1.1 kms of paved roads, and the remaining is gravel roads which also need re-graveling and storm water.

ii. Sidewalks

Sidewalks are repaired based on a Job Creation process with interlocking paving blocks. The block yard function needs to be considered for implementation in 2012/2013 financial year.

iii. Curb stones

Curb stones replaced on a regular basis.

iv. Stormwater

Catch Pits and concrete manhole covers are repaired on a regular basis from time to time storm water damage the underground storm water pipes which results in flooding of houses and this will be repaired and replaced very urgently.

BELGRADE COMMUNITY: WARD 5 (URBAN AREA)

Service for Belgrade community is rendered from Pongola, and the following can be emphasized

- Roads – Grading of roads: 90km
- Internal Water network to the cemetery and sporting facilities
- Prepaid electrical network maintained by Eskom
- Community clusters: Building Repairs departmentally
- Street Lighting maintenance by Eskom

Grader Pongola wards

Wards 1,3,4,6,7,8,9,12,13,14 In total informal roads of 150 km was re-graded and open storm water constructed, the outstanding issue is re-gravelling ward 3,6,9, storm water issues ward 1&4 assistance towards the maintenance of the sport fields and access to rural cemeteries also part of service delivery.

PONGOLA CARAVAN PARK:

This facility consists of the following:

- 100 caravan sites (64 Electrified)
- 9 private chalets and one undeveloped stand
- A control building , kiosk and security room
- Swimming pool
- Mini golf
- Ablution block with washing facilities
- secure fencing

This facility has been successfully privatized since 2000.

CEMETERY:

The Technical department manages cemeteries that are situated in the following areas:

- Belgrade
- Magudu
- Ncotshane
- Pongola

A master management plan was approved and adopted during 2003, a plan to be reviewed in 2012/2013. Application for funding to be confirmed.

The management is executed accordingly to the master plan. Burials are performed according to prescribed legislation and admin procedures are followed accordingly.

Application for funding was also forwarded to MIG for the new establishment of Cemeteries as report compiled by the PMU Manager.

A proper report was completed, which includes identified needed land, funding and timeframes, rural burials is managed by the community and only technical support is received

MUNICIPAL LAND:

uPhongolo Municipality owns farmland, which is registered as portion 383 and 435 and is presently leased to a farmer.

OPEN LAND MAINTENANCE:

Open spaces are being maintained on a regular basis to support crime prevention.

MUNICIPAL BUILDINGS AND OFFICES

The Municipal Buildings and Offices are maintained regularly in Belgrade, Ncotshane and Pongola, a satellite office serves the main admin office which is situated in Pongola and technical financial where all activities are co-ordinate and maintained

A Development Plan was approved for the office extension and an external loan from ABSA was registered according to the prescribed legislation.

The Community Hall situated in Magudu previously owned by the Farmers Association was donated to the uPhongolo Municipality and it is utilised by the Community.

The Existing Community Halls of Belgrade and Ncotshane are well maintained on a regular basis.

All properties that belong to the Municipality are maintained according to the budget provision and availability of funds.

PARKS AND GARDENS MAINTENANCE:

Open spaces are properly maintained which is both beneficial to the community and assists towards crime prevention. The maintenance is partially privatized which is solely based on Job Creation and poverty alleviation.

The sub department is semi-privatized and the function is performed on a high standard, the areas involved are as follows:
Belgrade – 1 contractor

Ncotshane – 6 contractors
Pongola Town – 1 contractor

The contractual commitment is funded from the General Rates Services.

Provisions to maintain the Magudu and Golela areas will be introduced during 2012/2013

WORKSHOP AND FLEET MANAGEMENT:

Minor repairs are being done internally and major repairs by appointed Service Providers.

The assistance in the Workshop under the supervision of the Roads Foreman is performed on a high level.

It can be mentioned that the application of disposal of assets is in accordance with the applicable legislation.

It can be proudly announced that the following new yellow machinery was purchased and delivered during April 2012:

- New Holland Grader
- Doosan Excavator
- CASE 580 PLT
- A new TW90 Tractor Slasher Unit
- A mechanical Slasher

A proper inventory list and asset register for all fleet and equipment exists.

ELECTRICAL NETWORK AND MANAGEMENT:

uPhongolo Municipality purchases bulk electricity from Eskom and distributes electricity to the community of uPhongolo. The licence received from NER was approved in 1998 and it is presently still approved. The department is semi-privatized and functions very well and can proudly announce that only 3.04% distribution loss exists, this is a result of line losses.

Fire gel and equipment was distributed to the communities who have no access to electricity.

Eskom provides an electrical prepaid system for the Greater uPhongolo Municipality.

Currently the uPhongolo Municipality is engaged with a replacement of existing meters with prepaid meters, tender is rewarded and construction will commence very soon.

The department is semi-privatized based as follows:

- Responsible person according to the Act, Best 2 Electrical CC –
- Appointed contractor, Best 2 Electrical CC
- Capital projects
Funding allocations from DME is based for the rural areas, see attached annexure from Eskom.

An application of R38 353 528.00 was made however 17million was approved and allocated for rural projects .

- Electrification Projects in the rural areas is in the construction phase funded by DOE, connections to the amount of 1250 under the supervision of the Consultant Engineers of Ulungeni Consulting CC.
- Network Maintenance
Network maintenance is performed on an ongoing process.
- Street lighting management
Streets lighting is performed on an ongoing process. Currently a business plan is submitted

to extend street lighting for Ncotshane residents.

- Power Interruptions
The following Power interruptions occurred up to June 2012.
 - Storm damage on overhead lines – R 20 000.00
 - 2 transformer damage R100 000.00.
- Mass Lighting
A Development Plan for Mass Lighting is established to the benefit of the Community and 1 is already completed.
- Public participation
Informed consumers on a general basis when planned interruptions via Eskom would take place.
- Bulk Purchases
Eskom provides up to a central point 7.5 Mva which is then distributed to Pongola only. Eskom is responsible for all the rural areas, which is incorporated.
- Meter reading – departmentally on a monthly basis
To reduce the outstanding debt, a process for electrical prepaid meters is being investigated.
- Electrical Tariffs
The electrical tariffs is approved according to the legislation of NERSA

Job creation:

The vision of the uPhongolo Municipality is uplifting the standards of the community; therefore, job creation projection was successfully introduced and is related to the following.

- Pothole repairs for tar roads
- Road sweeping is ongoing
- Cleaning of V-drains is ongoing
- Repair and replace paving blocks is ongoing

Additional 22 staff members were appointed to perform certain activities based on job creation and community upliftment. Job Creation is based as follows:

- Stormwater and Pothole repairs
- Maintenance of Cemeteries
- Infrastructure Maintenance
- General

Technical Programs:

For the financial year 2011/2012, the Municipality successfully completed the following capital projects:

Technical Programs:

Capital

For the financial year 2011/2012, the Municipality successfully completed the following capital projects:

- Report under MIG
- Report under LED
- Purchase of yellow machinery
 - New Holland grader
 - Doosan excavator
 - Case 580 TLTTW 90
 - Slasher unit
- Purchase of equipment
- Outstanding projects
 - additional yellow machinery
 - Turn Circle testing station
 - Extension of building
 - Ware house for LED

Grants

Grants allocation was received to improve the infrastructure which is managed by MIG and reported accordingly

TECHNICAL OPERATIONS

Capital Projects

Goods and Services

The procurement of services and goods were done in terms of the Council's Supply Chain Management Policy and the relevant regulations as promulgated.

QUARTERLY PROJECTIONS

The Quarterly projections for services rendered by the Technical Manager are completed on a quarterly basis and challenges are identified.

COMMUNITY CHALLENGE:

Technical Services Department faces a big challenge of providing the services on a high level to the community of uPhongolo Municipality, Urban and Rural areas.

All services are rendered based on affordability to the community, however, weaknesses is based on additional machinery for this huge area and lack of payment.

A fixed base of employment exists. Additional members are also appointed based on a job creation programme and the alleviation of poverty.

The turnover of technical staff is very limited.

The Technical Manager position is currently vacant and will be filled in 2012/2013.

LEGISLATION:

Mining rights for borrow pits still to be finalized.

SALE OF ERVEN:

Applications for alleviation of vacant stands are processed according to the Land Disposal Policy.

TECHNICAL ADMIN:

For Good Governance and Public Participation, Technical Service Department encourages the public to come forward with their complaints and ensure that actions are taken and communicated properly.

Daily correspondence is attended to as well as any enquiries, which is received.

ENQUIRIES AND COMPLAINTS:

Numerous enquiries and complaints lodged by members of the public have been attended to with the assistance of the other departments within the municipality.

Challenges:

Staff management meetings need to be introduced on a regular basis to ensure that communication of from acceptable standard as well as to ensure that all resolutions and admin procedures is adhered to.

INSURANCE MANAGEMENT:

All assets is properly insured and AON Brokers is appointed to handle the insurance portfolio. Claims are properly maintained on a regular basis very fine.

AIRSTRIP:

1.2km Tar mac
Proper aerodrome runway designation markings
800mm Taxiway (tarred)

Control Room Facilities:
The Security available

NDBB Beacon:
To be replaced

Guest House Information:
From Pongola Info Centre

Security:
24-hour security on site

Flight Destination:
Pongola – Richards bay – Umhlanga
Pongola – Ermelo – Wonderboom
Pongola – Ulundi – Pietermaritzburg
Pongola - Mkuze

Over Border Control:

Pongola SAPS, 7km from Swaziland Border and 80km from Royal Swazi Spa

1.5 uPhongolo MUNICIPALITY – INFORMATION TECHNOLOGY:

uPhongolo Local Municipality has a fully functional IT Network. Each office is linked to the network. The use of information technology helps Council to provide better service delivery to its customers. The Section information Technology provides a supporting role to various departments as an enabler of information technology. The Traffic Department is wirelessly linked to the main office.

The IT Section operates in conjunction with the Manager Corporate Services, the Service Provider and MANCO. The main role is to co-ordinate Council's IT Strategy by developing and adopting IT resolutions and to ensure that it is implemented. The IT Hardware has been kept in a good working condition throughout the Municipality during 2011/2012 and all new appointed staff in newly identified positions were provided with the relevant hardware and software. The Municipality bought various new hardware i.e. printers and Notebooks.

Finance and Technical Department and Corporate Services Department have been linked to the Copiers in the Department to lower the costs of buying ink for the printers and printers.

During 2011/2012 the IT Systems were maintained and according to the 3 year IT Strategic Plan the software will have to be updated, eg. Office 2003 to Office 2010 and Windows XP Professional to Windows 7 Professional plus relevant computers whose hardware are outdated.



1.6 uPHONGOLO MUNICIPALITY –LIBRARIES:

uPhongolo municipality manages two libraries, which is Ncotshane library which is located in Ncotshane the other one is Pongola library which is located in town. Material that is utilized by the libraries is supplied by the Provincial library services in Pietermaritzburg. The provincial library provides and prepares events and projects that are going to take place from the beginning of the year it even arranges interest groups meetings for all the librarians in a province. It arranges and plans stock exchanges which take place four times a year namely February, May, August and the last one is in October late or early November.

MEMBERSHIP:

PONGOLA LIBRARY:

Pongola library has many members because it is more of a reading library than a studying library and it is at reach to many people including visitors.

Adult members	:	6168
Juveniles and children	:	1418

NCOTSHANE LIBRARY:

Ncotshane library is a studying library than a reading library its membership is very high because the project that is being run by the library attracts more members to join the library including the tertiary stock.

Adult members	:	7066
Juveniles and children	:	2492

CIRCULATED MATERIAL/STATISTICAL REPORT:

Material circulation differs from library to library. A reading library like Pongola circulates more and Ncotshane circulates less because it is a studying library. The library material has two major categories which is print and non-print material. The print material includes books, magazines, journals and newspapers. The non-print material includes the audio-visual materials which are CD's, DVD's and talking books.

PONGOLA LIBRARY:

Pongola library circulates more material because it is a reading library it loans more material to patrons than having them reading inside the library or studying.

PRINT MATERIAL	:	83769
NON-PRINT MATERIAL	:	1671

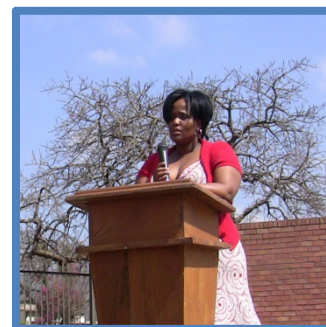
NCOTSHANE LIBRARY:

Ncotshane library does not circulate more material because it is a studying library patrons use books within the library they do not loan books any more.

PRINT MATERIAL	:	10738
NON-PRINT MATERIAL	:	2111

EVENTS:

The provincial library allocates promotional programmes and events that must take place to libraries with different themes throughout the year.



LIBRARY WEEK

LIBRARY WEEK (March 2012):

Every year all libraries have the library week it was celebrated from the 19th of March till the 23rd of March. The theme for the library week 2012 was “DEVELOP @ YOUR LIBRARY AND CHANGE YOUR LIFE”. The library week takes place once a year in one month in public libraries throughout South Africa to promote the material and services that libraries provide. Our two libraries celebrate this event jointly. On this day we invited all the library users and non-users surrounding schools and members of the community to promote and market our library and to instil the culture of reading as well.

The schools that were invited were Sebenzakanzima High school, uPhongolo High School, Dwaleni High School, Ncotshane Primary and Sinothando Primary School and this year we decided to also invite schools from Belgrade area the schools that were invited from Belgrade were Bambanani High School, Dingukwazi High school, Enhlanhleni High school, Landokwakhe High school, ILanga High school, Mlomokazulu High school, Mpindiso High school, Sigqamise High school, Sozama High school and Sinegugu Pre - school. The schools supported the function and it was a success. This year the Municipality's intention was to create a sustainable relationship with the local school. On this day we even had our CYBER CAFÉ handing over certificates to trainees who completed their computer training.



LIBRARY WEEK 2012

PROJECTS:

INTERNET @ YOUR LIBRARY PROGRAM:

This is the project which has been there for few years but it has shown success. This project is made available to people of all ages regardless of their educational levels. The project addresses all technological needs of the community. The library registers 20 trainees per month and they are offered training and competent trainees receive certificates of attendance after completing the practical and theoretical test. This project is fully funded by the Province and it operates with six computers.

PROGRAMS:

This project offers the following programs

- * MS Word
- * MS EXCEL
- * MS PowerPoint
- * E-mail & internet usage



For 2011/2012 210 trainees completed the course and we let the Departmental head sign the certificates before they were handed over to trainees.



CERTIFICATES HAND OVER

1.7 uPHONGOLO MUNICIPALITY - COMMUNITY FACILITIES

ACHIEVEMENTS TO DATE:

The vulnerable children desk has been established where children rights are considered. This is the platform for the children and their needs within their local Municipality. The youth have received job opportunities through this office and the Department of Public Works .The office has been able to assist in indigent burials.

DISASTER:

LEGISLATIVE FRAMEWORK:

A common understanding of the legislation pertaining to disaster management, the following overview is provided:

Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) Section 44(1)b (ii): the national Council of Provinces the powers to pass legislation with regard to any matter within functional area

- Municipal Systems Act ,200 (**Act 32 of 2000**)
- **Section 26(g)** - IDP must reflect a Disaster Management Plan
- Disaster Management **Act ,2002 : Act 57 of 2002**

PHYSICALLY ATTRIBUTES

- Natural Resources- mist belt, upland forest, and highland and lowveld areas.
- Water resources –streams ,rivers ,boreholes, springs
- Environmental Hazards- agricultural burning, infrastructure, alien plant invasion,sugar cane processing, soil erosion.

Due to unpredictable climate change, the area has been affected severely. There were Veld fires, heavy rains, strong wind, thunder and lightning .Lucky enough there were just injuries and we experienced no deaths this financial year.

The following is the breakdown:

Month	Total affected	Type of incident
July 2011	12	Individual fire incidents
August 2011	05	Individual fire incidents
September 2011	53	Veld fires and Individual incidents
October 2011	14	Heavy rain /Strong wind
November 2011	18	Heavy rain /Strong wind
December 2011	179	Heavy rain /Strong wind
January 2012	14	Heavy rain /Strong wind/ Thunder
February 2012	02	Individual fire incidents
March 2012	105	Heavy rains/Strong wind/Thunder
April 2012	02	Individual fire incidents
May 2012	02	Individual fire incidents
June 2012	09	Individual fire incidents
Total	<u>415</u>	



VICTIMS OF STORM DAMAGE TO HOUSES



HEAVY STORM IN WARD 3

The disaster reports are sent via e-mail and facsimile on weekly basis to the Zululand District Municipality, DSD, OSS, Human settlement and war rooms. The Department of Human settlement will be assisting all the Veld fire and other victims are still being verified and assessed by the Department for further assistance. The amount used for emergency assistance is R41 997.48.

INDIGENT BURIALS:

The Municipality assists with burials to indigent communities where an applicant is assisted with a coffin and transportation. The criteria is that the applicant should be residing within uPhongolo area, and the funeral; to be conducted within the uPhongolo Municipality jurisdiction. With the relevant documents coupled with an affidavit from the applicant stating his/her unemployment. In case of unnatural causes an additional investigation Police Report is required.

Total amount used	R154 941.83
Total number Deceased	188

INDIGENT RELIEF:

These are applicants who are not working, earning no grant and are in very poor living conditions. These applicants are also referred to Social Development Office for them to assess the households. The Municipality assists with food parcel subject to the availability of funds.

There are applicants at the office who also have to be included in this programme. This assists when the office needs to determine the status of the applicant mainly in the Indigent Burials applications. The total number of applications received is 188.

VULNERABLE CHILDREN DESK:

This section managed to have its own Local Advisory Committee which is formed by the local Departments. The Councillors were requested to forward two names of children per ward who has formed the Children Parliament. The desk deals with child related issues and attends monthly forums which are held in Durban on the third Thursday of each month. The LACC sits on quarterly basis to address issues. Cases are referred to relevant Departments for intervention.

This desk has finally been able to secure its own budget for workshops, awareness campaigns, children dialogues and other activities in the section.

This financially we had a successful child protection week, take a girl child to work campaign, where we had young girls exposed to a work place at the Municipality, Illovo and at the Magistrate Court. During the child protection week local schools were visited in conjunction with DSD.

This section managed to have its own Local Advisory Committee which is formed by the local Departments. The desk deals with child related issues and attends

monthly forums that are held in Durban on the third Thursday of each month. The LACC sits on quarterly basis to address issues of concern and cases are referred to relevant Departments for intervention. This desk has also finally been able to secure its own budget for workshops, awareness campaigns, children dialogues and other activities in the section.

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RURAL ROAD TRANSPORT FORUM (RRTF)

This is the Transport forum dealing with road issues .This forum takes place on monthly basis .The Municipality is now represented by Miss Ndwandwe and Councillor Phakathi in this forum; however an additional member will be introduced to the forum.

CHALLENGES

The dates usually change without a notice

WAY FORWARD

The Department of transport to be contacted on weekly basis so as to align with their dates, since it is necessary to attend this forum

FREE BASIC ELECTRICITY (FBE):

The Municipality subsidizes the community members with electricity card amounting to R50 per month. Applicants have to apply with an Id and a used token. The applications are then forwarded to Patience Nkomo in Durban via email who then uploads customers to qualify for Free Basic Electricity. The account is sent on monthly basis to this office and also Finance Department.

Total applications	2260
Total uploaded	2260

The programme has been reviewed and all the applicants will be invited to reapply by registering to the indigent register. Those who will not qualify will automatically be disqualified to receive the FBE.

SPECIAL PROJECTS:

The Municipality still maintains its partnership with the Department of Public Works .The 270 youth at Golela site are still there and earning a stipend of an amount R60.00 per day . The programme of cleaning and horticulture learners has not started yet due to the restructuring that the Department of Public Works experienced. The youth were trained in plumbing, bricklaying, painting and paving .This year most of the previously EPWP learners were placed at Mthashana FET College at Nongoma.

Department of COGTA has given the Municipality the R4 million grant on Community Works Programme .The Council resolved that each ward will have its own project ,therefore the amount was divided among 14 wards .More people will be employed .

EPWP incentives grant was also received from the Department of Public Works.This amount will be used to employ people in the Uphongolo area in conjunction with the LED office.

Moral Regeneration Movement has been re established in this Municipality we even have a charter decorated in all the Municipal entrances to reaffirm the spirit of Ubuntu to the people.

The Municipality had successfully initiated programmes with the Department of Public Works where they contribute in assisting the youth.

EPWP Golela Co-operatives which is targeting the youth where 60 beneficiaries have been recruited but the project has not yet started and it is also sponsored by the Department of Public Works, where they will be trained in Horticulture and Cleaning.

WARD COMMITTEES - PUBLIC PARTICIPATION

The Ward Committees were established in all fourteen wards from the July 2011 to October 2011. Each ward has ten ward committee members. They were officially launched on the 10th and 11th of March 2012 where they were given certificates and guidelines on how they are expected to execute their job as ward committee members.

At the moment we are busy with Training programmes where the ward committees will be trained. The Supply chain office is still coordinating the process of securing the competent services provider to provide the training.

Amount used during the ward committee establishment was for the transport for officials and each ward was given a tax each. During the ward committee launch, the same procedure happened and they were provided with refreshments. From hired equipment it was the sound system, tables, chairs and decoration. The Ward Committees earn a stipend of R1000 each per month provided they had attended the scheduled meetings and have signed the attendance register and the minutes are submitted to the office of the CLO.



HONOURABLE SPEAKER PRESENTING WARD COMMITTEES WITH THEIR CERTIFICATES DURING WARD COMMITTEE LAUNCH.

SPHERES OF CONCERN AND NEED FOR IMPROVEMENT:

1.1.1. **Disaster** –teams and resources to be available

It will enable the office to respond positive and quick to the victims.

1.1.2. **Local Advisory Council for Children Establishment**

Children will then have a voice and be guided through representatives and other Departments will be able to intervene where necessary.

1.1.3. **Ward Committee functionality monitoring**

Service delivery will flow as these structures consist of the community members.

SPORT AND RECREATION

Sport and Recreation Business Plan is aimed to improve the quality of life of the communities within our of jurisdiction through sport excellence. On the 25 June 2011 at Mkhwakhweni sport field uPhongolo Municipality organized Indigenous Games selection preparing for District Indigenous Games to be hosted by uPhongolo Municipality.

We have 10 codes for Indigenous Games which are Driestokies, Incuva, Induced, Ingqathu, Juskei, Umlabalaba, Umagenda, Argogo, Dibeke, and Khokho. We selected 132 athletes to represent us in the District. uPhongolo Municipality was given a chance by sport and recreation to host the games and were played at Ncotshane sport field on the 16 July 2011.

We hosted Indigenous Games on the 16 July 2011 at Ncotshane sport field and 80 athletes selected of uPhongolo Municipality to represent us in the Provincial Tournaments that was held at Ugu District (Port Shepstone).

The Department of Sport and Recreation and uPhongolo Municipality organized Boxing Tournament that was hosted by uPhongolo Municipality on the 30th July 2011 at Ncotshane Hall. The aim behind was to prepare Boxers to be ready for

Mayoral Cup selection and keep the fitness of the athletes. Local Municipality participated were Ulundi, eDumbe and uPhongolo Municipality the host. The tournament was played under open 50-70 KG 16- 21 years and close 48-50 KG 13 - 16 years. uPhongolo Municipality was number 1 by having 5 knockout and 6 retirement boxer Ulundi was number 2 and 3 was eDumbe.

We also conducted HUB festival at Mkhwakhweni Sport field on the 17TH September 2011. The aim behind was to ensure that all teams and codes within the area got chance for practice and coaching clinics were also conducted.

uPhongolo Municipality also transported 30 selected older persons to participate in Active Senior Golden Games that was held at Ulundi Stadium. The objectives of this programme include the promotion of intergovernmental bonding between the youth and older persons, to embrace active ageing through physical and recreational activities for older persons, to create awareness of the abilities and capabilities of older persons, to promote social integration of older persons. The Codes include Duck Walk, Passing Ball, Juskei; Ring the stick, Ball Pass and kick, Goal shooting and Football.

2011\12 Mayoral Cup was played on the 25 September 2011 at Pongola Akademie and Ncotshane Hall. 12 Codes we are having which are Soccer, Netball, Volleyball, Rugby, Cricket, Table tennis, Tennis, Boxing, Dance, Athletics, Basketball and Golf. We selected 325 Athletes to represent uPhongolo Municipality in the District level.

The Mayoral Cup objectives includes creating access to different sporting codes for all communities, particularly within the disadvantage communities, and seek to redress imbalances in respect to gender and physically challenged. Promote partnership with all relevant stakeholders. It also contributes to local socio economic development where games are staged. Games have served as a catalyst for facility upgrade.

85 Athletes were selected in the Zululand District Mayoral Cup 2011, to be part of the team that will represent the ZDM in SALGA Games on the 09 to 13 December 2011 at Durban.

uPhongolo Municipality has been so supportive to the developments and capacitation of players to be fit for competitions. The Municipality has managed to transport athletes in various codes to the trainings camps conducted by the ZDM,

on the 12, 19 and 26 November 2011. This was done in order to equip players and readiness for the big event SALGA GAMES 2011.

In conjunction with sport and recreation, we also conducted Boxing tournament at Ncotshane on the 05TH November 2011 to keep Boxers fit and readiness for SALGA GAMES.

uPhongolo Municipality has also elected Sport Council Committees in all 14 wards of the Municipality and each ward now is having sport committee. The core function of the committee is to conduct, initiate and implement sport activities within the ward. Assist in executing Mayoral Cup games and any activities being conducted by the Municipality in the ward.

On the 18 March 2012, the Municipality participated in the ZDM 56KM. We transported 33 athletes to represent the Municipality to keep our players fit for any competition being organized. On the 14th April 2012, we transported Boxers to participate in the Provincial Boxing Championship at uThukela. Our Boxers managed to get position 1 and won the trophy on overall. This was done to ensure that players are having warm up games to be ready for Mayors cup and SALGA games. Table Tennis code has also been transported to Durban on the 21 April 2012 challenging Durban side. It did help them to weigh themselves and also keeping players fit and ready for SALGA games.

In conjunction with Junk Shop, the Municipality conducted Boxing Tournament at Junk Shop. We invited Ulundi, Monogamy and eDumbe Municipalities to participate in the tournament and all of them did come to participate in the tournament. uPhongolo managed to beat them and won overall performance trophy and this helped the athletes to maintain the fitness and readiness for local, District and SALGA Games 2012 to be held at uThukela District.

HOUSING DIVISION:

UPHONGOLO MUNICIPALITY

1. NCOTSHANE HOUSING PROJECT NUMBER K20020045

This Project was approved in the year 2002 for 1100 Beneficiaries. The Project was implemented in 2005/2006 and put on hold in 2006 due to contractual misunderstanding between the Developer (uPhongolo Municipality) and the Implementing Agent (SBP Project Managers PTY LTD). The Project is currently not proceeding and the Department of Human Settlements in cooperation with the Municipality are in the process of resuscitating the project, a Implementing Agent ,Worley Parsons (formerly known as KV3 Consulting Engineers) was appointed who encountered challenges in terms of other aspects of the project that was not addressed e.g. Geotechnical Report that was not implemented by the previous Implementing Agent as well as Survey Maps and pegging some of the areas of the project.

The Project consists of Nine (9) areas of Land surrounding Ncotshane Township which totals up to 1100 units.

The Department of Human Settlements, the Municipality and the Implementing Agent are working hand in hand to have the project restarted; however the Department has resolved to take over the Developer Status from the Municipality on this Project only. The project was approved at R42 million.

PROJECT NAME :	NCOTSHANE HOUSING PROJECT
PROJECT NO.	: K 20020045
WARD NO.	:
IMPLEMENTING AGENT	: Kv3
NO. OF BENEFICIARIES	: 1100
PROJECT VALUE	: R 42 037 874.43
MONIES SPENT	: R 17 842 977.50
APPROVED BENEFICIARIES	: 1100
HOUSES BUILT TO DATE	: 250
START DATE	: 01 APRIL 2003
END DATE	: 03 MARCH 2005

ISSUES

Project is blocked. Submission to unblock the project was presented at HEAC on 26 July 2012

2. INCOTSHANE HOUSING PROJECT

This project was Implemented in 1996/1997 it had also its own challenges. The size of the Project was 215 units which was executed very well although the transfers were not effected. The Municipality is in process of applying for those beneficiaries in order for them to obtain the deed of grants. The project was implemented in terms of a Project linked Subsidy Scheme. The Project should be completed by 2012/2013 financial year.

PROJECT NAME :	INCOTSHANE HOUSING PROJECT
PROJECT NO.	: K199970040
WARD NO.	:
DEVELOPER	: PHONGOLO MUNICIPALITY
NO. OF BENEFICIARIES	: 215
PROJECT VALUE	: R 3 605 250.00
MONIES SPENT	: R 3 373 284.20
APPROVED BENEFICIARIES	: 215
HOUSES BUILT TO DATE	: 213
START DATE	: JUNE 1997
END DATE	: DECEMBER 1998
ISSUES	

Transfers not effected, the Municipality is in the process to appoint the Conveyancer to finalize land legal issues.

3. GUMBI LOW INCOME HOUSING PROJECT

This Project will be implemented in Ward 14 and have 700 units. The Advertisement has been prepared and was sent to the Planning Section for comments, thereafter the Municipality will advertise the project inviting suitably qualified implementing Agent. The Gumbi Low Income Project is the product of the Land Restitution Programme and the Project will be

The office of the Mayor in cooperation with all the 14 Ward Councillors have provided the Municipality with the information on housing needs in all the wards, which were done in the form of list of Beneficiaries per ward.

This has assisted in the compilation of the Housing Sector plan as it gave an indication of the Housing needs in the Wards. The following illustrates the backlog of housing needs in the area of uPhongolo:

The following Projects have been planned for the year 2012/2013

1. Gumbi low Income Housing Project.
2. Mahlangusi Housing Project.

4. BACKLOG ON HUMAN SETTLEMENT AT UPHONGOLO MUNICIPALITY

5. TRANSFERS ON ENHANCED EXTENDED BENEFIT DISCOUNT SCHEME APPLICATIONS (EEDBS)

NCOTSHANE TOWNSHIP =160 BENEFICIARIES.

This Programme is in progress. The number of Applications that were processed by Mphathi Investment PTY (LTD) currently stand at 160 Beneficiaries. The Municipality has forwarded all the documents to the State Attorney's Office for further processing.

6. OPERATION SUKUMA SAKHE STATUS REPORT ZULULAND DISTRICT: UPHONGOLO MUNICIPALITY

6. OPERATION SUKUMA SAKHE

WARD	NO. OF BENEFICIARIES IDENTIFIED	STATUS			
		RECOMMENDED FOR APPROVAL	APPROVED	ALLOCATED TO SERVICE PROVIDERS	BUILT
1	14		14	14	0
2	5		5	5	0
3	10		10	10	0
4	2		2	2	0
5	166	154	12	0	10
6	4		4	4	0
7	5		5	5	0
8	7		7	7	0
9	6		6	6	0
10	3		3	3	0
11	4		4	4	0
12	4		4	4	0
13	4		4	4	0
14	3		3	3	0
TOTAL	237	154	83	71	10

6.1 Operation Sukuma Sakhe

LOCAL MUNICIPALITY: UPHONGOLO MUNICIPALITY

WARD	NUMBER OF INTERVENTIONS IDENTIFIED	DETAILED PROGRESS TO DATE				DETAILS OF IMPLEMENTING AGENT	CHALLENGES
		RECOMMENDED FOR APPROVAL	NO OF INTERVENTIONS APPROVED	ALLOCATED TO SERVICE PROVIDERS	NO OF HOUSES BUILT		
1	14		14	14	0	BROCON	
2	5		5	5	0	BROCON	-
3	10		10	10	0	BROCON	-
4	2		2	2	0	BROCON	-
5	166	154	12	0	10	BROCON	-
6	4		4	4	0	BROCON	-
7	5		5	5	0	BROCON	-
8	7		7	7	0	BROCON	-
9	6		6	6	0	BROCON	-
10	3		3	3	0	BROCON	-
11	4		4	4	0	BROCON	-
12	4		4	4	0	BROCON	-
13	4		4	4	0	BROCON	-
14	3		3	3	0	BROCON	-
TOTAL	237	154	83	71	10		-

6.2 ZULULAND DISTRICT

UPHONGOLO MUNICIPALITY			
WARD	NAME	ID. NUMBER	DATE OF APPROVAL
	Shoba Shiti Dorca	430101 1573 084	06 September 2011
1	Mlambo Malitha Thembisile	601227 1923 087	06 September 2011
	Simelane Thoko Maria	450112 0226 082	06 December 2011
	Ntshangase Silwane	480708 5556 083	06 December 2011
	Ndlazi Thandazile	700306 0452 082	06 December 2011
	Ndwandwe Shongishilo	371204 0177 088	06 December 2011
	Nhlengethwa Buyelaphi	370101 283 085	06 December 2011
	Msibi Sindephi Catherina	280610 0615 082	06 December 2011
	Ntshangase Beauty Phambanisile	260125 0120 089	06 December 2011
	Mtshali Sandiso Wiseman	900403 6190 083	06 December 2011
	Ntshangase Mfanimpela Absalom	580304 5842 087	06 December 2011
	Mhlongo SolengaziNestar	480419 0351 081	06 December 2011
	Mathe Mbongiseni M.	580610 5425 081	04 April 2012
	Ntshangase Bongani	601223 5600 080	04 April 2012
2	Mtshali Sisana	660814 0640 081	06 December 2011
	Gama Mabalane	530221 0379 089	04 April 2012
	Thabede Precious N.	881151 0770 080	04 April 2012
	Shabangu Bonginkosi P.	581211 5634 084	04 April 2012
	Khumalo Nokuphila	860319 1134 082	04 April 2012
3	Ntshangase Nomgqibelo C.	881125 0706 084	13 October 2011
	Thwala Thoko Esther	337010 8022 080	13 October 2011
	Mbingo Matina	590516 0404 088	06 December 2011
	Siyaya Kikizile	300801 0323 087	06 December 2011
	Dlamini Bhekokwakhe	670415 5620 082	06 December 2011
	Madonsela Philile	721115 0441 083	06 December 2011

WARD	NAME	ID. NUMBER	DATE OF APPROVAL
3	Madonsela Aaron	650629 5428 080	06 December 2011
	Nkosi Simo Victor	780115 1012 089	06 December 2011
	Zondo Zenzile E.	230601 0193 083	04 April 2012
	Khanyi Phiwokuhle	880814 6131 089	04 April 2012
4	Mathabela Baqhelile	721009 5798 086	04 April 2012
	Simelane Gqebe	500406 0575 088	04 April 2012
5	Sibiya Salephi G	390904 0275 082	04 April 2012
	Madlopha Johannes	230714 5100 084	04 April 2012
6	SukaziMbalenhle	821122 1201 085	06 December 2011
	Dube Zenanile T.	711016 0555 083	04 April 2012
	Zulu Gezichilo	250516 0179 089	04 April 2012
	Nhleko Phumlani P.	720327 0436 085	04 April 2012
7	Skhosana Zifundeni N.	490414 0281 089	04 April 2012
	Skhosana Ntombizodwa	581117 0776 086	04 April 2012
	Zondo Funani A.	301111 0383 084	04 April 2012
	MthethwaBusaliphi A.	670504 098 2082	04 April 2012
	Mathenjwa Jeneta	390731 0210 086	04 April 2012
8	Mwelase Tryphinah Ntombiyenkosi	330212 0162 083	06 December 2011
	Mbokazi Xoshiwe Elizabeth	361109 0152 084	06 December 2011
	Magagula Shangani	741120 0288 084	06 December 2011
	Ndlangamandla Mboneni	650403 6022 080	06 December 2011
	Nkumane Silwayiphi	550903 5627 087	06 December 2011
	Nkosi Mphatheleni P.	550115 6250 083	04 April 2012
	Thabethe Mantombana S.	570330 0381 088	04 April 2012
9	Nhleko Sibusiso Jetro	760921 5870 081	06 December 2011

WARD	NAME	ID. NUMBER	DATE OF APPROVAL
9	Nkosi Simelani Sanelina	520924 0471 088	06 December 2011
	Kunene Thabile Tops	480803 0581 088	06 December 2011
	Vilane Lindokuhle F.	660607 0937 089	04 April 2012
	Xaba Thethekile A.	671015 5367 089	04 April 2012
	Mayisela Zandile T.	560728 0742 088	04 April 2012
10	Ntshangase Mbongeleni	640102 5917 083	06 December 2011
	Ndwandwe Selaphi J.	240412 0110 087	04 April 2012
	Nxumalo Busha M.	610214 0305 085	04 April 2012
11	Cele Dumani	360620 0428 085	04 April 2012
	Mathe Dudu M.	500404 0619 089	04 April 2012
	Dlamini Bheki	571105 2550 084	04 April 2012
	Dlamini Bawinile	870116 1049 080	04 April 2012
12	Nhlengethwa Albert M.	101111 5185 080	04April 2012
	Sibiya Thandeka	890415 0656 085	04 April 2012
	Simelane Fihliwe	380416 0381 085	04 April 2012
	Mkhize Thandazile	470621 0574 081	04 April 2012
13	Ntshangase Nsizwazitholani	431010 5643 080	06 December 2011
	Ntshangase Cotuka Grootman	060203 6048 084	06 December 2011
	Simelane Mukile H.	290108 0172 080	04 April 2012
	Ntshangase Sdudla A.	531221 0278 085	04 April 2012
14	Nxumalo Nkosinathi Thinabakho	620414 0467 087	06 December 2011
	Mngomezulu Vusi E.	600203 6150 089	04 April 2012
	Magagula Khulisile G.	670331 0564 096	04 April 2012
SUBTOTAL = 73			
BUILT = 10			
TOTAL APPROVALS =192			

6.3 OPERATION SUKUMA SAKHE:

Following are the lists that has been approved by HEAC recently .It should be noted that ward 1 and 13 beneficiaries were only submitted to the HEAC on the 09th of November 2012.

WARD 2 WAR ROOM RECENTLY PROFILED HOUSEHOLD FOR DEPARTMENT OF HUMAN SETTLEMENT:

1.	Gumede Sphehile Z	ID 9107280883087
2.	Mndebele Thoko w	ID 5512160267083
3.	Dladla Zinhle	ID 8708261112080
4.	Sithole Tembani T	ID 3410160372080
5.	Ndlozi Jabulile T	ID 6103110668080
6.	Mthethwa Bhokinkosi M	ID 6003305737080
7.	Shabangu Mnkeni	ID 5606115414087
8.	Dlamini Sipho N	ID 5502085581080

Ward 3 WAR ROOM RECENTLY PROFILED HOUSEHOLD FOR DEPARTMENT OF HUMAN SETTLEMENT

1.	Masuku Mnanza P	ID 5811095359084
2.	Msibi Zanele A	ID 5403120796082
3.	Nhlengatwa	ID 6807071086088
4.	Nhleko Thengani M	ID 2906080293083
5.	Dlamini Khathazile S	ID 4010050286082
6.	Khumalo Bawinile M	ID 6310230403088
7.	Dlamini Mxosheni A	ID 6907075824086
8.	Mavimbela Zibuyisile G	ID 7211120529082
9.	Mahlaba Babane A	ID 3607125179084
10.	Mtungwa Malasiya H	ID 4907255641088
11.	Nhleko Sisholiphi N	ID 2705250126085
12.	Nhlengethwa Johan N	ID 4507135274082
13.	Dlamini Mpangiseni S	ID 6102255437087
14.	Mavuso Thandi W	ID 6507220295081

15.	Dube Zananile E	ID 5809290957082
16.	Dhludhlu Gcinusizi M	ID 3909090645085
17.	Sibiya Nomthandazo E	ID 5103030301086
18.	Mavuso Phetheni R	ID 6210110753083
19.	Nhlengethwa Virginia G	ID 7802081107080
20.	Mavuso Lindelani I	ID 5511270344089
21.	Nkosi Sophie N	ID 4301013153083
22.	Zulu Nomkhosi P	ID 7412252499082

WARD 4 WAR ROOM RECENTLY PROFILED HOUSEHOLD FOR DEPARTMENT OF HUMAN SETTLEMENT

1.	Mpanza Busisiwe T	ID 5708140273080
2.	Sikhosana Mangaliphi E	ID 3804240281081
3.	Sheick Hajee M	ID 5001155563086
4.	Mtungwa Bangimpi M	ID 4910035351085
5.	Mafuleka Shayiwe	ID 5412170572087
6.	Mdebele Ponono N	ID 1907070097089
7.	Mavuso Nomusa V	ID 6607280301082
8.	Sibiya Fikile E	ID 7902100274083
9.	Sibiya Phumzile P	ID 8611160385080
10.	Vilakazi JabulileP	ID 8112100633085
11.	Sikhosana Nozipho A	ID 8508301021089
12.	KhumaloVelaphi F.J	ID 6006215406084
13.	Motha Nelisiwe S	ID 8109150757087
14.	Buthelezi Tholakele E	ID 7701010589089
15.	Mathe Mathophi R	ID 6210250712089
16.	Dlamini Zandile S	ID 7906140832081

**WARD 8 WAR ROOM RECENTLY PROFILED HOUSEHOLD FOR DEPARTMENT
OF HUMAN SETTLEMENT**

1.	Mtshali Nqaba C	ID 7201105929084
2.	Buthelezi Thobile N	ID 7309240648087
3.	Fakude Mmangalelwa E	ID 6706295290080
4.	Nxumalo Mpiwokubi V	ID 5311140313087
5.	Siyaya Hambemeveni C	ID 5403265245085
6.	Msibi Mntungwa C	ID 7409260533084
7.	Mthethwa Bashiye P	ID 6810165714086
8.	Buthelezi Patria Z	ID 6912020589081
9.	Simelane Zamani E	ID 5708100327082
10.	Thwala Thembani	ID 4103090318088

**WARD 10 WAR ROOM RECENTLY PROFILED HOUSEHOLDS FOR THE
DEPARTMENT OF HUMAN SETTLEMENT**

1.	FakudeSithuli B	ID 7203225731085
2.	DhlaminiSidudla S	ID 7208051333088
3.	MthenjwaSiphiwe	ID 4605040214084
4.	NkosiTsotsi J	ID 6304015842081
5.	Mngomezulu Daisy S	ID 5812250950089
6.	SibiyaDumisani M	ID 6109015943080
7.	MbuliMkhulunyelwa L	ID 6412285463080
8.	Zondo Musa	ID 8303026137083
9.	VilakaziTholakele M	ID 7409051365084
10.	NyawoShongani Z	ID 7712051150087
11.	MthethwaSibongile D	ID 6306011058083
12.	MngomezuluVnah S	ID 4404150171080
13.	JeleHlekisile I	ID 6109250700088
14.	Zulu Mfanizeni A	ID 6005056290086

**WARD 13 WAR ROOM RECENTLY PROFILED HOUSEHOLD FOR
DEPARTMENT OF HUMAN SETTLEMENT**

1.	Simelane Buyi P	ID 9106060937089
2.	Nyawo Thengiwe T	ID 6602190603081
3.	Leseane Dikeledi M	ID 5005090270087
4.	Mahlobo Siphiwe M	ID 5807140317085
5.	Ncube Andros G	ID 6501150735083
6.	Mkhwanazi Themba M	ID 9007196082081
7.	Buthelezi Siwendokwe	ID 3902155214087
8.	Mokoena Nomoya L	ID 2607010398089
9.	Ngwenya Siphiwe B	ID 5806150535081
10.	Ngwenya Manqewu M	ID 5707160869082
11.	Siyaya Mbomvu W	ID 7006125600080
12.	Magagula Solani N	ID 5703050306087
13.	Magagula Bhkizwe E	ID 4911035387087
14.	Sikhosana Sakhephi E	ID 4204100408081
15.	Sikhosana Zenzele A	ID 5507285704085
16.	Nxumalo Sukayena A	ID 4205065585086
17.	Ngwenya Zablun M	ID 3504095136089
18.	Shabangu Nokuthula I	ID 7001041458085
19.	Nhlengethwa Mduduzi A	ID 8202056319084
20.	Xaba Mahlanya S	ID 3107265126086

**WARD 01 WAR ROOM RECENTLY PROFILED HOUSEHOLD FOR
DEPARTMENT OF HUMAN SETTLEMENT**

1.	Mbamali Malita	ID 4206010256088
2.	Khumalo Mgijima G	ID 5107035433083
3.	Ntshangase Sigwazi	ID 4610200372086
4.	Gumbi Thembisile	ID 2210130105086
5.	Ntshangase Phumzile K	ID 4005140494084
6.	Ntshangase Sibongile M	ID 6201013572084
7.	Ndlazi Thandazile N	ID 7003060452080
8.	Buthelezi Bhkuyise	ID 4606135307080
9.	Mkwanazi Fungile N	ID 5601021011085
10.	Jabu Dlamini	ID 6411145500081
11.	Mbathalitta	ID 4407090186084
12.	Khanyi Damoni N	ID 6002160756086

13.	Ndlovu Sipho A	ID 7409246032086
14.	Sukazi Thembekile V	ID 3907210296086
15.	Masondo Mamane N	ID 3607200291085
16.	Khanyi Thofo	ID 7011280401084
17.	Mpanza Ntombikayise	ID 5909120400087

GENDER:

The Department of Community Services has successfully established the Gender Forum which comprises of 14 members coming from all the 14 wards. This Forum had been formulated to envisage that the policy framework (gender equity) will promote the municipality where women and men have equitable access to opportunities and resources to address and meet socio-economic needs and improve the quality of life of the community. The forum is here to remind the people that everyone is equal before the law and may not be discriminated against on the basis of gender, sex, age, disabilities or marital status. It espouses substantive equality for women and men in social, political and economic life. The chairperson and the secretary are forming part of Zululand District Municipality Forum and a workshop had been given to them on June about their roles and responsibilities. They were also capacitated with the importance of gender mainstreaming.

ACCESS ROADS:

Our municipality has a wing known as Technical department whereby it helps the office of the Mayor. The technical department under the supervision of Operational manager and technical supervisor are doing their best to fulfil Mayor's dream of all families within our Municipality must have excess to road irrespective of the position of his/her home.

THUSONG SERVICE CENTRE:

The Thusong Service Centre is one of the Municipality and Local Government's structures whereby they are fulfilling their promise of bringing services closer to people which is situated in Ward 5 at Belgrade Area and is known as Belgrade Thusong Service Centre which was known as Multipurpose Centre. Our Thusong Centre forms part of Community Services Department. This structure will consist of different government departments namely; Home affairs, Labour, SASSA, GCIS, SAPS, COGTA (CDW's) and Library. This centre forms part of the second generation process whereby these multifunctional one stop centres are

built to fast track service delivery in formerly disadvantaged communities. This centre is almost 99 % done. Eskom already put the transformer as per their promise but the only problem is that the service provider who was wiring the Centre did not issue a compliance certificate in order for Eskom to energise the Centre.

HIV/AIDS PROGRAMME:

Local government has a vital role to play in curbing the scourge of HIV/AIDS within our jurisdiction. The community Services Department is responsible for the facilitation and administration of the uPhongolo Municipality Forum which is known as Local Aids Council within uPhongolo Municipality. This council consists of various government departments, CBO's, NGO's, vulnerable groups, traditional leaders, business people, PLWH, traditional healers, Councillors, and other concerned people. There are fourteen Ward Aids Committees that are trained by SHIPP (Sexual HIV Prevention Programme) in partnership with Zululand District Municipality at Magudu Hotel on April 2012 and were given certificate for three days attendance. Our training was honoured with some Councillors that attended it. We have three delegates from our Local Municipality that are sitting on the District Aids Council i.e. the Honourable Mayor, HIV/AIDS Co-ordinator, Chairperson of Sukuma Sakhe and the secretary. The Local AIDS Council have to report to District AIDS Council quarterly.

SUPPORT GROUPS:

There are supports groups that are established in Ward 2,10,9,5,6 and 12, where infected and affected individuals share their problems, achievements and encourage each other as to maintain HIV/AIDS within them positively. There are support groups that has attained NPO registration with the Department of Social Development. The support groups engage in different activities in dealing with HIV/AIDS issue in their communities, they range from Home based households, garden projects and women empowerment as well as educating women on issues of defaulting. Support groups are based on clinics whereby there are gardens within clinics used by support groups for generating income and having something to eat in their families.

YOUTH PROGRAMME:

The department of Community services has youth affairs. We have an official structure that consists of youth from all fourteen Wards and they are part of Ward Committees uPhongolo youth Council has not yet given positions for Office Bearers. The Youth Council in close partnership with the department of community services is responsible for outreach initiatives.

This initiative includes Mayoral Cup Games and Umbele Wethu. They form part of Local Aids Council, Human Rights Forum and Sports Council.

There are two youth members from uPhongolo who sits on District Youth Council. Our youth attended the Youth District Summit and the Youth Celebration at eDumbe Municipality.

SUKUMA SAKHE/FLAGSHIP PROGRAMME:

This is a programme spearheaded by the Honourable Premier of the KZN Dr Z L Mkhize. This is the programme which is in all wards of uPhongolo and championed by Ward Councillors. Each Ward have a War Room whereby leaders, youth ambassadors, ccg's, ward aids committees, ward committees and government officials come together to attend people's needs within the particular ward.

We have fourteen war rooms launched and fully functionally with committees. Most of our war rooms have Izinduna representing Amakhosi. The cadres have profiling forms which they use in each and every household to access the needs of the family and the level of poverty. Once they had profiled they come back to the war room with those forms, the war room committee analyse it and the departments to do interventions. We have Operation Mbo's whereby all government departments target a ward and bring full service to them. Each Ward has War Room whereby CDW's, All Community Development Workers are our War room Convenors and assisting the Local Task Team with reports. Youth Ambassadors are employed from the Premiers Office and Department of Health; they are responsible for profiling each and every household in our Municipality.

TOILETS ON PENSION PAYPOINTS:

Our Municipality has a programme of placing Mobile toilets in all pension payout points as from 2009 till to date. They decided to assist our old ones as some of the pension pay points do not have toilets at all.

This programme is still in process as the Municipality is proving funds to the service however this is not the Municipality's competence as one should know that the District is responsible to water and sanitation as it is the water service authority in the District.

Provision of toilets to payout points was discussed at provincial level whereby the Municipality invited the District, Department of Health DSD and SASSA to discuss provision of mobile toilets, that meeting transpired no one took responsibility to provide mobile toilets, however the Council continues to provide this service to the old age people.

1.8 uPHONGOLO MUNICIPALITY - TRAFFIC AND LICENSING DIVISION:

Pongola Testing Station and License Department has been established since 1991, and has since operated as a registered A Grade testing station. The License Department of Pongola Boundaries serves large community which includes the Town, Ncotshane Location, Magudu Area and all surrounding Rural Areas which falls in our jurisdiction.

This office also serves other community areas like Ingwavuma drivers or vehicle testing stations facilities.

The main objective of Pongola Testing station is to grow from strength to strength. We aim to provide excellent service to our community and also work hand in hand with all by laws and Acts concerned. This office services more or less between 2300 – 30 000 per year.

FUNCTIONS PERFORMED AT THE TESTING STATION:

The testing station main function is to test vehicles according to the pre subscribed regulations set out by the Department of Transport, South African Bureau of Standard and the Road Traffic Act 93/1991.

To ensure that monthly statistics are provided to Department of Transport and SABS on how many vehicles was tested, passed or failed for each month.

To ensure that the 3% of all Roadworthy applications collected by a testing station be paid over to the SABS every 6 months as stipulated in the Road Traffic Act.

FUNCTIONS PERFORMED BY THE LICENSE DEPARTMENT:

The license department acts as an agent for Department of Transport and according to the collective agreement signed with uPhongolo Municipality and Department of Transport .Our Office must ensure to perform the functions of Registration and licensing of vehicles, issuing of temporary and special permits, allocations of personalized numbers, retention of specific numbers issuing of police numbers Act. All these functions are

done in accordance with the collective Agreement, the Road Traffic Act and also Financial Management Act.

STATISTICS FOR THE PERIOD JULY 2011 – JUNE 2012:

TRANSACTION DESCRIPTION	AMOUNT
Motor licence fees retained by Council	R744 187.15
Application for Public Driving Permit	R146 400.00
Presentation of Drivers License	R567 391.00
Application for Roadworthy Certificate	R438 760.00
Issuing of Roadworthy Certificate	R172 440.00
Application for Drivers license	R562 200.00
Application for Learners	R281 300.00
Application for instructor Certificate	R.00
Issuing of Instructor Certificate	R .00
Information / Duplicate	R 2 000.00
Hawkers License	R 22 196.00
Trade License	R7 830.00
Issuing Learners License	R44 160.00
Temporary drivers license issued	R 148 680.00
Surplus	R 466.27
TOTAL	R 3 138 010.42

TRAFFIC FINES ISSUED BY OFFICERS

227 Section 56 issued by S D Sithole is 57 R126 100.00
Assistant Manager- Protection Services is testing drivers during the week.

Section 56 issued by M R Thwala is 37 R24 100.00
Traffic Superintendent M R Thwala is testing drivers during the week

190 Section 56 issued by CB Sibiyi is 49 R126 800.00
Officer CB Sibiyi is testing vehicles driving the week.
Section 56 issued by JS Fourie is 103 R51 200.00
Officer J S Fourie is testing vehicles during the week
Section 56 issued by N P Gumede is 542 R276 070.00
Section 56 issued by S P Ntshangase is 530 R381 000.00
Section 56 issued by K P Buthelezi is 418 R 222 798.00
Section 56 issued by K H Nkosi is 526 R294 900.00
Section 56 issued by N N Hlatshwayo is 384 R215 100.00

Section 56 issued by M A Ndlangamandla is 577	R385 880.00
Section 56 issued by J B Mahlaba is 475	R303 950.00
Section 56 issued by B W Nkosi is 432	R240 650.00

GRAND TOTAL	4441	R2 648 548.00
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ESCORTING AND ACCIDENTS

Accidents attended	57
Obstructions attended	82
Road blocks	20
Fire incidents	14
Escorts	25

1.9 uPHONGOLO MUNICIPALITY – CDW’S, HOUSING, HEALTH AND SAFETY

COMMUNITY DEVELOPMENT WORKERS (CDW’S) DIVISION THE CDW’S MANDATE IS:

- ❖ To assist in the removal of development and service delivery bottlenecks
- ❖ Strengthen the democratic social contract between government and the community
- ❖ Link communities in which they work and live with government service and relay community concerns and problems back to government structures.
- ❖ Support, nurture and advocate for an organized voice for the poor.
- ❖ Improve government community networks.

THE OBJECTIVES FOR THIS REPORT:

- ❖ Assesses community needs
- ❖ Improve service delivery
- ❖ Complements the work of other community workers
- ❖ A grass roots voice and communicator
- ❖ Monitor and evaluates the impact of government development projects and programmes
- ❖ Liaise and collaborates with community based organizations
- ❖ Intensifies education and awareness of HIV-related
- ❖ Promote the principle of Batho Pele.
- ❖ Support the implementation of interdepartmental projects
- ❖ Assists communities to understand and proactively promote development.
- ❖ Alerts communities and government to bottlenecks in the delivery of basic services

FUNCTIONAL ELEMENT

Functional elements are being submitted to the Department of Local Government

IMPLEMENTING GOVERNMENT PROGRAMME OF ACTION LOCAL/PROVINCIAL AND NATIONAL

Programme of Action
National women’s day HIV/AIDS awareness 16 Days of activism Eyes care awareness week. Educating the community on minimization recycling and other environmental issues Energy saving / electricity Arbor week Visitation, KwaZulu-Natal Legislature

OTHER ACTIVITIES

- ❖ One of our job descriptions is to inform and assist communities with access to the service provided by government structures, as CDW’s we disseminated information on government service delivery and poverty alleviation programmes to communities, e.g. Vukuzenzele, Imbizo Junction, Love life pamphlets etc.
- ❖ Do awareness and advocacy work including encouraging communities to engage with opportunities:

AWARENESS CONDUCTED

HIV/AIDS awareness programme
Promote Home Based care
Promotion of administrative justice act
Environmental awareness
Encouraging communities to attend IDP's road shows
Home Affairs campaigns
Social Development
SASSA
SAPS

- ❖ Promote networks and enhance the activities of existing local government structures and other stakeholders aimed at improving service deliver:
- ❖ Assisted in the establishment and maintaining of local community structures in liaising with community and stakeholders, i.e. Community Police Forum, Transport Forum, Youth Desk
- ❖ Attended meeting with various government departments: i.e. Social Development, SASSA, Home Affairs, Transport, Health
- ❖ Facilitate and promote the participation of communities in government development projects and programmes e.g. ISRDP, URP, LED, CBP and Cooperative.
- ❖ Determine the needs of communities and communicate these to the relevant government structures: through door to door visits
- ❖ Compiled poor family profile
- ❖ Compiled ward profile
- ❖ Strengthen relationship with other community based workers and government departments:
- ❖ Held meetings with various government departments and other community based workers
- ❖ Community health workers – Department of Health
- ❖ Early childhood development practitioner - Department of Social Development
- ❖ Masupatsela – Department of Social Development
- ❖ Community extension officers – Department of Agriculture
- ❖ Community Police Forum – SAPS
- ❖ Refer community needs to relevant stakeholders, track progress and provide feedback.
- ❖ Liaise and provide support to existing local governance structures (Ward committees, traditional councils)

HAWKERS

All hawkers Stalls tenants have to comply with the Municipal By-Laws and Tariffs Policy where meetings were held with Hawker Stalls Tenants informing them that they will have to pay Hawkers Permits working hand in hand with the SAPS.

All Municipal Tenants for the building must sign the Lease Agreements in order to exercise fairness between the two parties, and to make sure that monthly payments are made.

To promote SMME's and Business opportunities within our Municipality, we have an organized Hawkers Association Committee which deals with the affairs of the Hawkers in town. There are 75 hawkers stalls built by Council on which their tenants pay for hawkers permit and the stall that each person occupies, there are also hawkers who do not have hawker shelter, they only pay for permits.

CHALLENGES

HEALTH AND SAFETY

First Aid Kits were purchased for all the Departments within the Municipal Buildings, these kits were used and were refilled, it is very important for the staff to have these kits in order for them to be able to prepare for injuries.

FIRE EXTINGUISHERS

Fire Extinguishers are serviced every three months at all Municipal Buildings; inspections are being done by the Health and Safety Officer to businesses in order to ensure safety in our town.

Fire Fighter Truck is provided by the District Municipality and being kept at the Pongola Testing Station but is being utilized by all the Municipalities if the Zululand District Municipality and the Provincial Government requires it. The Department of Co-operative Governance and Traditional Affairs Provincial Disaster Management unit has provided training of two officials who were identified for the training of fire fighter I & II i.e. Mr S P Ntshangase and Mr K P Buthelezi.

WASTE MANAGEMENT

The Municipality conducts daily inspections of the refuse removal by our Health and Safety Officer, Contractors for the refuse removal must remove the refuse on daily basis and if they do not comply, the monthly payment is being conducted. All contractors are dumping at the Municipal Landfill Site while the Municipality is still waiting for the Landfill Site Permit from the Department of Water Affairs and Forestry. This Landfill Site is being maintained by the Contractor appointed by the Municipality namely Mayibuye Earthworks.

There are two other Dumping Sites one in Belgrade and the other in UMkhanyakude District Municipal Area but belongs to Zululand District Municipality under uPhongolo Municipality, our Municipality is attending to the matter of these Dumping Sites since they are now illegal.

KPA 2: LOCAL ECONOMIC DEVELOPMENT

1.1uPHONGOLO MUNICIPALITY – LOCAL ECONOMIC DEVELOPMENT:

ECONOMIC DEVELOPMENT:

The most important regional development initiative is the Pongolapoort Dam development being managed in terms of the Local Development Plan (LDP) initiated by the Department of Economic Affairs and Tourism.

The Municipality is directly involved in the implementation and all projects of the LDP are contained in the IDP 2011/2012. The appointment of the Project Facilitator and the Project Manager by the Inter Municipal Forum (IMUF) has been concluded successfully. The branding of the dam is the next crucial step in order to market uPhongolo Municipal area as a destination and ultimately the economic development of the area and the associated benefits to the people.

The development of the Golela and Nkonkoni Nodes are at present on the agenda and upgrading of existing facilities at these nodes is in progress.

LED INSTITUTIONAL ARRANGEMENT AND LED PLAN

The LED Forum continued its quarterly sittings locally and with the district. The LED Forum locally has also forged a relationship with the LED and social portfolio committee where together projects and programmes were brainstormed.

To support these projects brainstormed the sectoral unit further advertised for investment promotion strategy as a tool to complement the led plan which was reviewed this year by Urban Economics Development Economists the experts in economic strategic planning.

LED Plan was further incorporated with the IDP as the sectoral motivating funding and corporation to all relevant stakeholders and role-players in different institutions.

INVESTMENT PROMOTION AND MARKETING STRATEGY

This municipality owed an investment promotion strategy which was budgeted and underway by relevant experts. The purpose of this project is to compile an investment Strategy for uPhongolo Local Municipality. It is understood that this plan is envisaged as a possible mechanism of intervention in promoting investments and work out the economic development challenges within the municipality. This plan will serve to guide Municipality in promoting investors to uPhongolo Municipality.

It is envisaged that Investment strategy would assist uPhongolo municipality in achieving its investment promotion goals and objectives. This plan should take into consideration all the sectors that exist in this Municipality, namely Tourism, Agriculture, Manufacturing, Mining, Fishing etc.

Terms of references and specifications were prepared by LED UNIT to the supply chain sectoral unit.

This plan is currently under process.

FRUIT AND VEGETABLES PROCESSING FACTORY

The uPhongolo Municipality through its Forum for Local Economic Development

Guided by the LED Strategic Plan identified the need to establish a Municipality based fruit and vegetables processing factory in uPhongolo Municipality with a vision to create employment opportunities for the community and enhance the supply base for local farmers. For this reason it is necessary to conduct a Feasibility study leading to the development of a Business Plan.

- **CONTRACT OBJECTIVES**

The objectives of the project are to compile a comprehensive feasibility study and bankable business plan indicating all assumptions and risks associated with the canning factory, costs implications, suppliers, market, associated procedures and value adding products.

Terms of references and specifications were prepared by LED UNIT to the supply chain sectoral unit.

This feasibility study is currently under process.

HYDROPONICS OR GREEN HOUSES

The uPhongolo Municipality through its Forum for Local Economic Development Guided by LED Strategic plan identified the need to establish hydroponics (green houses) project with a vision to create employment opportunities for the community and enhance the supply base for locals and exports. For this reason it is necessary to conduct a Feasibility study leading to the development of a Business Plan.

- **CONTRACT OBJECTIVES**

The objectives of the project are to compile a comprehensive feasibility study and bankable business plan indicating all assumptions and risks associated with the hydroponics in terms of costs implications, suppliers, market, associated procedures and value adding products.

Terms of references and specifications were prepared by LED UNIT to the supply chain sectoral unit.

UPHONGOLO FLEA MARKET INFRASTRUCTURE

This is one of the projects applied by the LED Office that was considered for funding by COGTA with 3600 000. This project has already employed more than 36 people from consulting engineers, constructors and sub contracts and has empowered local entrepreneurs giving a chance to emerging constructors.

The project is now at a roofing stage. The LED Unit has been sending monthly reports and do quarterly presentations to COGTA to ensure that we comply with the signed MOA and that the project obtains the required deliverables.

1. SMME'S CAPACITY BUILDING

ELECTRICITY TRAINING WITH DEDT

Department of Economic Development and Tourism in conjunction with uPhongolo Municipality conducted SMME Training for 15 entrepreneurs to be trained in soft and technical skills, namely; Basic Business, financial Management, Computer Literacy Skills and Practical Short skills i.e. plumbing, bricklaying, catering, sewing and electrician).

Due to the skill shortages in practical skills, it was suggested that we choose Electricity as a practical skill to grant both female and males an equal opportunity of self sustainability.



SMME'S AND CO-OP'S

TRAINING WITH DEDT

BUSINESS BREAKFAST WITH TIKZN

Uphongolo economic development unit in partnership with trade and investment KZN ORGANISED a business breakfast. The aim of this project was to afford businesses and aspiring entrepreneurs an opportunity to acquire business support information and other business development related knowledge from different Government Departments and Funding Institutions. Funder's had slots during the breakfast:

- KZN DEDT SMME FUND DIRECTORATE
- NATIONAL EMPOWERMENT FUND
- INDUSTRIAL DEVELOPMENT CORPORATION
- TRADE AND INVESTMENT KZN
- KZN GROWTH FUND
- ITHALA DEVELOPMENT FOUNDATION
- INKOSI YASEMGAZINI BIO OIL TREES

More than 150 entrepreneurs were present during the day adding to the expected 75 entrepreneurs.

The following Business Development Institutions (LED Stakeholders), SMME and Co-operation

PRE FUNDING SEMINAR

The LED Office organised a PRE- FUNDING SEMINAR on the 30th March 2012 at Pro Team lodge with funders and funding technical experts namely; IDC, TIKZN and KZN Growth fund to allow presentation and one on one sessions with businesses that are registered and have business plans but not funded till now. This was aimed at educating them and directly linking them with funder's requirements and funding criterion, the setup was as follows:

BBBEE TRAINING AND REGISTRATION

BBBEE certificate and PPPFA has become a barrier to the Contractors to secure business deals, tenders and other related proposals from Government institutions in all spheres due to lack of knowledge leading to lack of compliance. Constructors approached our Municipality about this. As a turnaround strategy to this, the LED Unit communicated with INKOMBA Verification Agency to directly assist Constructors in Pongola to obtain BBBEE Certificates and to train them on how can this assist constructors win tenders and all functionalities and score points.

CO-OPERATIVES TRAINING AND ASSISTANCE

- On the 5 – 6 August 2010 the municipality concurrently conducted Banks in Action and career guidance workshop with BANKSETA to Sebenzakanzima High School pupils to ensure employment oriented youth. 56 Participants were trained in Banks in Action.

BASIC BUSINESS TRAINING WITH OLD MUTUAL

IN MAY 2012 uPhongolo Municipality partnered with hold mutual Richards bay branch to disseminate small business information and educate small businesses on saving, financial management and business skills

The 3 zones were visited by these organizations namely:

Ncotshane community hall
Sithambi community hall
Belgrade community hall and
Mpakama School

BASIC BUSINESS TRAINING WITH SEDA

SMALL ENTREPRISE DEVELOPMENT AGENCY is the key stakeholder in business development. UPhongolo Municipality has partnered with this key stakeholder to training and meet small entrepreneurs to ensure that they receive required information and assistance in business management and planning to sustain their businesses.

SARS

UPHONGOLO Municipality has organised SARS more than 10 times to assist uPhongolo people with registrations, workshops and all compliance and enquiries people have. This was a solution assisting people who were victims of penalties and improper charges due to SARS as they were unable to sort out their problems since Richards bay is the near station with long queues for assistance.



SARS MOBILE TAXI

CORRIDOR DEVELOPMENT PROGRAMME 2012

Business plans compiled for funding to COGTA for funding under corridor development programme:

1. Phase2 uPhongolo Flea Market Infrastructure:
2. Street lights and High Mast:
3. Sub Rank Facility in uPhongolo CBD:
4. Community Park and Recreational Facilities Upgrade for Economic Development:
5. uPhongolo Arts Centre for Youth and Economic Development:
6. Godlwayo Cultural Village
7. Magudu Litha Beam Egg Production:

FUNDED PROJECTS:

In reference to the business plans submitted by uPhongolo municipality for potential funding through the Corridor Development programme this financial year. The LED Unit considered the following projects for funding:

1. Phase2 uPhongolo Flea Market Infrastructure:

- Corridor development programme

2. Street lights and High Mast:

- Small Town Rehabilitation Programme

3. Sub Rank Facility in uPhongolo CBD:

- Corridor Development Programme

4. Imbumbe Cultural Village

- LED Special Project

WARD UPLIFTMENT PROJECTS

uPhongolo Municipality LED implemented the Ward uPliftment Projects that seeks to identify and create self-employment opportunities for the unemployed community members who reside within the jurisdiction of uPhongolo Municipality.

The material was purchased and dispatched to the relevant communities.

2011/2012 - WARD UPLIFTMENT PROJECTS
PROJECTS MATERIAL PURCHASED

WARD NAME	PROJECT NAME	MATERIAL RECEIVED
1. CLLR F SIMELANE	Mandlakayise Mpalaza Esidakeni Obambisweni Bedina-Nkosi Bedina-Sthole Fuduka Thobisa Project	2x2,500liters Water Tanks 2x2,500liters Water Tanks 2xBarbed Wire 2xBarbed Wire 4xBlock Moulds, 30xCement 4xBlock Moulds, 30xCement 2Pole Tent & 50Chairs Sound System (2xSpeakers, Amplifier, 2xCodeless Microphones, 2xSpeaker Cables)
2. CLLR N J MKHWANAZI	Dibo's Car Wash Masasa Production	Pressure Spry, Vacuum Cleaner, Shade Cloth & 5xChairs Sound System Set (2xSpeakers, Amplifier, 2xCodeless Microphones, 2xSpeaker Cables)
3. CLLR M J PHAKATHI	AmandlaAbasha Farmers Project Eyethu Co-op	35xTreated Poles, Hosepipe, Garden Fork 120xTreated Poles, 6xBarbed Wire 5xSpades, 4xBlock Moulds, 20xCement, 2xHosepipe, 3xWheel Barrows
4. CLLR N E BUTHELEZI	Mabophe Farmers Ndalini Farmers Mshokobezi Farmers Gulukudu Farmers Nyawoshane Farmers Thengizwe/Moyeni Farmers Siyaphambili Youth Club	3 Barbed Wire 5 Barbed Wire 5 Barbed Wire 5 Barbed Wire 5 Barbed Wire 5 Barbed Wire 2Pole Tent & 30Chairs
5. CLLR M J DLAMINI	Sibengwe Blocks & Bricks	2xBlock Moulds, 60xCement
6. CLLR N P MAVUSO	Ward 6 Projects	28xBarbed Wire 2Pole Tent & 30Chairs
7. CLLR M P KHUMALO	Masibumbane AsiphelimandlaCreche Masincwabisane Slaps AmabuyaNodumo Ward 7 Committee Seven Sound	12xCorrugated Iron, 30xCement. 5000liters Water Tank, 10xCement. 15x1.8mT/Poles, 20xCement. Traditional Attire (Izingwe Vest, B/Trouzer, Izinxabule) 2Pole Tent & 50Chairs Sound System Set (2xSpeakers, Amplifier, 2xCodeless Microphones, 2xSpeaker Cables)
8. CLLR B A MASUKU	Esnungu Farmers KwaJozi Catering Sizanani Catering	10xBarbed Wire 2Pole Tent & 50Chairs 2Pole Tent & 50Chairs

WARD NAME	PROJECT NAME	MATERIAL RECEIVED
9. CLLR S R SIMELANE	Ekujabuleni Project Girls Hair Salon Isiyanda Project Sisonke Project	2xBrush Cutters (FS160) Salon Material (3Hair Condition, 2Hair Relaxer, 2Treatment, Hair Food, 2Hair Dryers, Basin & Mirror) 2Pole Tent & 50Chairs 2Pole Tent & 50Chairs
10. CLLR H V NCAMPHALALA	uMzabalazoWentsha Thuthukani Boys SiyazenzelaWomans Club	2xWheel Barrows, 4xSpades, 2xBlock Moulds, 40xCement. Brush Cutter (FS160) 2Pole Tent & Chairs
11. CLLR Z L NXUMALO	Thulithuba Co-op IthembaLomama Siyazama Project IthubaLethu Project	10Corrugated Iron, 15Cement 2Pole Tent & 50Chairs 2Pole Tent & 50Chairs 2Pole Tent & 50Chairs
12. CLLR M S MNTUNGWA	MshololoGrazeland Phumzakhele Grass Itshelejuba Hair Beauty	Brush Cutter (FS160) 3xWelded Mash Salon Material (2Hair Condition, Hair Relaxer,Hair Dryers & Washing Basin)
13. CLLR D NYAWO	Sesiphumelele Project Sonqoba Project Isoution Hair Salon	3xBrush Cutters (FS160) 3xGazzebo Tents, 5xHair Clippers & 5xChairs Salon Material (2Hair Condition, 2Hair Relaxer, 2Treatment, Hair Food, 2Hair Dryers, Basin & Mirror)
14. CLLR N T GUMBI	Manqubulane Project Zonyama Project Candover Poultry Genene Project	Wheel Barrow, 2xSpades, 2xBlock Moulds, 10xCement Wheel Barrow, 2xSpades, 2xBlock Moulds, 10xCement 2xDoors 2xChain-Saw (MS381)

2011/2012 POULTRY PROJECTS MATERIAL PURCHASED

WARD NAME	PROJECT NAME	REQUIRED MATERIAL
1. CLLR F S SIMELANE	Morreson Farming Magudu Poultry	100xChicks 1xStarter 3xGrower 3xFinisher 100xChicks 1xStarter 3xGrower 3xFinisher
5. CLLR M J DLAMINI	Vukuzenzele Ward5	500xChicks 5xStarter 15xGrower 15xFinisher 300xChicks 3xStarter 9xGrower 9xFinisher
10. CLLR H V NCAMPHALALA	Fundukulinda Co-op	200xChicks 2xStarter 6xGrower 6xFinisher
11. CLLR Z L NXUMALO	Siyazama Project Siyaqhubeka Project Siyezwana Project	100xChicks 1xStarter 3xGrower 3xFinisher 100xChicks 1xStarter 3xGrower 3xFinisher 100xChicks 1xStarter 3xGrower 3xFinisher

WARD NAME	PROJECT NAME	REQUIRED MATERIAL
12. CLLR M S MNTUNGWA	uMkhumbane cc Sinamuva	200xChicks 2xStarter 6xGrower 6xFinisher 200xChicks 2xStarter 6xGrower 6xFinisher
14. CLLR N T GUMBI	Candover Project Hlambanyathi Project Pietergate Project	200xChicks 2xStarter 6xGrower 6xFinisher 200xChicks 2xStarter 6xGrower 6xFinisher 200xChicks 2xStarter 6xGrower 6xFinisher

KPA 3: MUNICIPAL FINANCIAL VIABILITY

uPHONGOLO LOCAL MUNICIPALITY

uPhongolo Local Municipality has converted To the new GRAP Format
The following information is contained in the Annual Financial Statements as per Annexure C of the 2011/2012 Annual Report.

3.1 uPHONGOLO MUNICIPALITY GENERAL INFORMATION

MEMBERS OF THE EXECUTIVE COMMITTEE:

Councillor M M Hadebe – (Chairperson) – Honourable Mayor
Councillor J B Ngema-Honourable Deputy Mayor
Councillor M B Makhoba
Councillor A Z Thabede
Councillor E N Buthelezi

MEMBERS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE:

Councillor K E Nxumalo - Chairperson
Councillor B C Nhlabathi
Councillor N T Gumbi
Councillor B Mvelase
Councillor D Nyawo
Councillor N J Mkhwanazi
Councillor Z L Nxumalo
Councillor M S Mtungwa
Councillor M J Phakathi
Councillor C N Mavundla
Councillor N M Mkhwanazi
Councillor B A Maasuku

MEMBERS OF THE uPHONGOLO MUNICIPAL COUNCIL

Councillor H V Ngcamphalala– (Ex-Officio) - Honourable Speaker
Councillor B Mvelase
Councillor Z L Nxumalo
Councillor B C Nhlabathi
Councillor N T Gumbi
Councillor C N Mavundla
Councillor D Nyawo
Councillor S R Simelane
Councillor J P Ngwenya
Councillor M J Phakathi
Councillor N J Mkhwanazi
Councillor K E Nxumalo
Councillor N M Mkhwanazi
Councillor J C Theron
Councillor M S Mtungwa
Councillor M P Khumalo
Councillor M C Nkumane
Councillor M J Dlamini
Councillor F F Simelane
Councillor N P Mavuso
Councillor M M Mtungwa
Councillor B H Nkosi

GRADING OF THE LOCAL AUTHORITY - Grade 2

GRADING OF COUNCIL – Grade 3

AUDITORS - Office of the Auditor General South Africa

BANKS

- FNB-First National Bank of South Africa – (Primary Bank Account)
- ABSA

REGISTERED OFFICE:

Municipal Office –
P O Box 191
61 Martin Street
Pongola
3170

Telephone: 034-4131223
Facsimile: 034-4131706

E - mail: pongolatlc@pga.dorea.co.za

Website: www.uphongolo.org.za

ACTING MUNICIPAL MANAGER:

Mr M E Zondo

ACTING CHIEF FINANCIAL OFFICER

MR I F B Ngobese

3.2 REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE AND THE COUNCIL ON UPHONGOLO MUNICIPALITY ON PERFORMANCE MANAGEMENT IN TERMS OF SECTION 45(b) OF THE MUNICIPAL SYSTEMS ACT:

The Annual performance report of the uPhongolo Local Municipality was not submitted to the office of the Auditor General owing to the fact that the section 57 employees were not evaluated, therefore no Audit report was issued by the office of the Auditor General.

3.3 REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE AND THE COUNCIL ON UPHONGOLO MUNICIPALITY REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I was engaged to audit the financial statements of the uPhongolo Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2012, the statements of financial performance, statement of changes in net assets and cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2011 (Act No. 6 of 2011) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. My responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Because of the matters described in the Basis for disclaimer of opinion paragraphs, however, I was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for disclaimer of opinion

Property, plant and equipment

4. An amount of R1,172 million included in the property, plant and equipment balance disclosed in note 3 to the financial statements could not be reconciled to the fixed asset register. Certain assets included in the fixed asset register could not be physically verified and certain movable assets physically verified could not be traced to the fixed asset register. There was no evidence provided to support the useful life of all assets

had been assessed, as required by SA Standards of GRAP, GRAP 17 *Property, plant and equipment*. I was unable to quantify the effect of this misstatement due to lack of supporting documentation. There were no alternative audit procedures that I could perform to obtain sufficient appropriate audit evidence; therefore, I could not satisfy myself as to the rights, existence, valuation and completeness of the property, plant and equipment disclosed to the financial statements.

Restatement of corresponding figures

5. As disclosed in note 3 to the financial statements, the corresponding figure for prior year property, plant and equipment was reclassified by an amount of R9,481 million and restated by R6,740 million, due to correction of adjustments. The municipality has not provided the effect of this restatement in note 32. Sufficient and appropriate documentation could not be provided to support this. There were no alternative audit procedures that I could perform to obtain sufficient appropriate audit evidence, I could not satisfy myself as to the existence, valuation and completeness of and rights to property, plant and equipment as disclosed in the financial statements.

Statement of changes in net assets

6. The municipality did not provide sufficient appropriate audit evidence to support the validity of the additional amount of R3,249 million in the restated balances as at 30 June 2010 in the Statement of changes in net assets. There was no satisfactory alternative audit procedure that I could perform to obtain sufficient appropriate audit evidence to satisfy myself as to the completeness, valuation and obligation of the restated prior year adjustments.

Loss on sale on disposal of fixed asset

7. As disclosed in statement of financial performance, municipality has incurred a loss on disposal of fixed assets amounting to R1,333 million. However the amount has been overstated by R1,010 million and there was no satisfactory alternative audit procedure that I could perform to obtain sufficient appropriate audit evidence to satisfy myself as to the completeness, occurrence and accuracy on amount disclosed.

Commitments

8. The municipality could not provide sufficient appropriate audit evidence to support journals processed for an amount of R31,657 million. The municipality did not have adequate processes and proper record management systems in place to identify commitments and provide appropriate assurance that the entire population had been appropriately reviewed and that the total misstatement had been identified and adjusted accordingly. There were no satisfactory alternative audit procedures that I could perform to obtain sufficient appropriate audit evidence to satisfy myself as to the existence, completeness and valuation of and obligations pertaining to the amount disclosed in note 31 to the annual financial statements.

Revenue

9. The municipality did not provide an updated agreement to support the rental of golf club lease stated at R1, which is below market rate. This has resulted in an estimated loss of income of R1,569 million per annum, based on the tariff structure of the municipality. The amount cannot be accurately quantified due to a lack of information provided. Consequently, I was unable to obtain sufficient appropriate audit evidence to satisfy myself as to the completeness and accuracy of revenue received from investment property.

Value-added tax

10. As disclosed in note 37 of the annual financial statements, the municipality has value-added tax (VAT) payable amounting to R4,528 million. However, as the municipality did not maintain proper and complete records, schedules and documentation to support the VAT amount, I could not perform alternative procedures to obtain reasonable assurance on the completeness and valuation of and obligations pertaining of VAT.

Unauthorised expenditure

11. The municipality incurred unauthorised expenditure of R10,796 million due to actual exceeding budgeted expenditure for employee costs, councillor remuneration, finance charges, material and bulk purchases and other expenditure. However, this misstatement was not adequately disclosed in note 33 to the annual financial statements and, consequently, I could not obtain reasonable assurance of the completeness and valuation of unauthorised expenditure disclosed.

Irregular expenditure

12. I could not satisfy myself as to the completeness of irregular expenditure amounting to R7,694 million disclosed in note 35 to the financial statements as the misstatements that were identified during the audit were not adequately adjusted and no appropriate evidence was provided that the entire population had been evaluated.

Trade and other payables

13. I was unable to satisfy myself as to the completeness and valuation of trade and other payables amounting to R7,524 million as disclosed in note 17 to the financial statements as the municipality only addressed and disclosed the unrecorded creditors noted through the audit process. No evidence was provided that the entire population had been evaluated and the misstatement adjusted accordingly.
14. Disclosed in note 17 to the financial statements is an Eskom liability of R1,245 million, which will be settled after 12 months; however, it was not classified as non-current liability as required by SA standards of GRAP, GRAP 1 *Presentation of the financial statements*. Consequently, current liabilities are overstated and non-current liabilities are understated by R1,245 million. As the adjustment to correct misclassification was not processed to the financial statements, I was unable to satisfy myself as to the presentation and disclosure of liabilities in the financial statements.

15. The municipality could not provide sufficient appropriate audit evidence to support a journal entries adjustment totalling R1,941 million for revenue received in advance for land sales. There was no satisfactory alternative audit procedure that I could perform to obtain sufficient appropriate audit evidence to satisfy myself as to the completeness and valuation of and obligations pertaining to payables disclosed in note 17 to the financial statements.
16. The municipality could not provide sufficient appropriate audit evidence to support the validity of consumer deposits journals processed of R3,108 million. There was no satisfactory alternative audit procedure that I could perform to obtain sufficient appropriate audit evidence to satisfy myself as to the completeness and valuation of and obligations pertaining to payables disclosed in note 17 to the financial statements.
17. Due to a lack of appropriate systems in place for the recording and maintenance of retentions on the municipal infrastructure grant (MIG) projects, it was noted that based on the budget information , the MIG retention liability was overstated by R948 132.
18. The accuracy and completeness of the leave pay provision amount of R1,869 million could not be confirmed due to the errors noted in the manual and electronic leave records, where the differences could not be reconciled. There was no satisfactory alternative audit procedure that I could perform to obtain sufficient appropriate audit evidence to satisfy myself as to the valuation and completeness of and obligations pertaining to accrued leave pay disclosed in note 17 to the financial statements.

Provisions

19. The valuation, existence and completeness of and obligations pertaining to the provision for landfill site totalling R1,927 million as disclosed in note 15 to the financial statements could not be confirmed. The municipality had not obtained the obligation value as at year-end and no reliance could be placed on the assumptions used to calculate the provision. The municipality's records did not permit the application of alternative audit procedures; consequently, I could not obtain sufficient appropriate audit evidence to satisfy myself as to the valuation and completeness of and obligations pertaining to the provision disclosed.

Disclaimer of opinion

20. Because of the significance of the matters described in the basis for disclaimer of opinion paragraphs, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

Emphasis of matters

21. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Fruitless and wasteful expenditure

22. As disclosed in note 34 to the financial statements, the municipality incurred fruitless and wasteful expenditure of R1,306 million as a result of payments made without corresponding benefits.

Material losses

23. As disclosed in note 36 to the financial statements, material losses to the amount of R432 581 were incurred as a result of electricity distribution losses.

Material impairment

24. As disclosed in note 11 to the financial statements, material impairment to the amount of R54,643 million were incurred as a result of impairment of debtors due to poor collection practices.

Additional matter

I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

25. The supplementary information set out on pages xx to xx does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

26. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

27. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages ... to ... of the annual report.

28. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury *Framework for managing programme performance information*.

The reliability of the information in respect of the selected objectives is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

29. The material findings are as follows:

Usefulness of annual performance report

Presentation

30. Contrary to section 46 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA), improvement measures in the annual performance report. A total of 100% of the planned targets not achieved were not disclosed. This was due to inadequate internal policies and procedures to address reporting processes and events pertaining to performance management and reporting and limited review of the presentation of the annual performance report by the management/ audit committee.

Consistency

31. Section 41(c) of the MSA requires that the actual achievements against all planned indicators and targets be reported annually. The annual performance report submitted for audit purposes did not include actual performance of 53% of all planned objectives specified in the integrated development plan for the year under review. This was due to lack of review and monitoring of the performance objectives set to ensure that there was a link between the planned objectives and reported outcomes.

Reliability

Validity

32. The National Treasury *Framework for managing programme performance information* (FMPPI) requires that processes and systems which produce the indicator should be verifiable. A total of 89% and 23%, respectively of actual reported performance relevant local economic development and basic service delivery and infrastructure objectives were not valid when compared to the evidence provided. This was due to a lack of standard operating procedures for the recording, monitoring and reporting of actual achievements and accountability in this regard by senior management.

Completeness

33. The National Treasury FMPPI requires that documentation addressing the systems and processes for identifying, collecting, collating, verifying and storing information be properly maintained. Source information for 43% of the actual reported performance for the selected basic service delivery and infrastructure objectives was not completely recorded. This was due to a lack of documentation and a document management

system with regard to collation of information to support the actual performance achievements. A further contributing factor was that this information was not recorded, reported and reviewed by management and the governance structures on a quarterly basis.

Additional matter

34. Of the total number of planned targets, only eight were achieved during the year under review. This represents 95% of total planned targets that were not achieved during the year under review. This was mainly because indicators and targets were not suitably developed during the strategic planning process.

Compliance with laws and regulations

35. I performed procedures to obtain evidence that the municipality had complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations, as set out in the *General Notice* issued in terms of the PAA, are as follows:

Annual financial statements

36. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements identified by the auditors were not adequately corrected, which resulted in the financial statements receiving an disclaimer opinion.

Audit committees

37. An audit committee was not in place as required by section 166(1) of the MFMA, hence the governance oversight roles and responsibilities were not fulfilled.

Internal Audit

38. The internal audit unit did not assess the functionality of the performance management system and whether the performance management system complied with the requirements of the MSA and the extent to which the performance measurements were reliable in measuring the performance of the municipality on key and general performance indicators, as required by Municipal Planning and Performance Management Regulation 14(1)(b) [(i) / (ii) / (iii)].

Procurement and contract management

39. Goods and services with a transaction value of between R10 000 and R200 000 were procured without obtaining written price quotations from at least three different prospective providers, as per the requirements of supply chain management (SCM) regulation 17(a) and (c).
40. Goods and services of a transaction value above R200 000 were procured without inviting competitive bids as per the requirements of SCM regulations 19(a) and 36(1).

- 41. The performance of contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.
- 42. The contract performance and monitoring measures and methods were insufficient to ensure effective contract management, as required by section 116(2)(c) of the MFMA.

Asset management

- 43. The accounting officer did not take all reasonable steps to ensure that the municipality had and maintained a management, accounting and information system which accounts for the assets of the municipality as required by section 63(2)(a) of the MFMA.

Expenditure management

- 44. The accounting officer did not take reasonable steps to prevent unauthorised, irregular expenditure and fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA.

Internal control

- 45. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the basis for adverse opinion, the findings on the annual performance report and the findings on compliance with laws and regulations included in this report

Leadership

- 46. The accounting officer did not adequately exercise oversight responsibility over compliance with MFMA and the SCM processes. In addition, the accounting officer did not ensure that the reporting requirements on predetermined objectives are adhered to, as required by the MSA.

Financial and performance management

- 47. The accounting officer has not developed processes to ensure that all requirements of laws and regulations are complied with timeously. In addition, management did not develop, implement and monitor the necessary controls to ensure that all the processes relating to financial and performance management are adhered to at all times.
- 48. The chief financial officer did not adequately review the financial statements before submission for audit and did not implement controls over daily and monthly processing and reconciling of transactions.

Governance

- 49. The audit committee was not in place during the year to ensure that the required oversight as per their audit charter was effected; however, a new committee was appointed at year-end. Furthermore, the risk assessment, while completed, has not been adequately effected within the municipality and the internal audit oversight functions are also compromised due to lack of the required information.

OTHER REPORTS

Investigations

50. An investigation into financial misconduct by an employee was completed during the year. The employee was found guilty and dismissed.

Pietermaritzburg

30 November 2012



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

3.4 AUDIT QUERIES ACTION PLAN ON FINDINGS

3.4.1 2012/2013 AUDIT REPORT AND MANAGEMENT AUDIT ACTION PLAN IMPLEMENTATION OF ACTION PLAN FROM THE FINDINGS OF THE 2012/2013 AUDIT REPORT AND MANAGEMENT REPORT

UPHONGOLO MUNICIPALITY

ACTION PLAN ON AUDITOR GENERAL FINDINGS: YEAR ENDED 30 JUNE 2012

AR Para No.	REPORT FINDING	PROPOSED ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	TARGET DATE	CURRENT STATUS/PROGRESSES
4.	<p>Property, plant and equipment</p> <p>An amount of R1,172 million included in the property, plant and equipment balance could not be reconciled to the fixed asset register. Certain assets included in the fixed asset register could not be physically verified and certain movable assets physically verified could not be traced to the fixed asset register. There was no evidence provided to support the useful life of all assets had been assessed, as required by SA Standards of GRAP, GRAP 17 <i>Property, plant and equipment</i>. I was unable to quantify the effect of this misstatement due to lack of supporting documentation.</p>	<p>The difference which was due to the reclassification of assets to comply with GRAP has been corrected. The annual financial statements were adjusted as recommended. Adjusting entries have also been processed.</p> <p>Further investigation will be performed to establish whether the unknown assets are in existence or not. A complete physical verification of fixed assets will be performed. Necessary adjustments will be made based on the results of the verification process.</p> <p>The assets not originally on the asset register have since been included in the fixed asset register at their fair values as at 30 June 2012. The annual financial statements have also been adjusted.</p> <p>The useful lives of the assets was done and the information is available.</p>	<p>Chief Financial Officer Fixed Asset Controller</p> <p>Chief Financial Officer Fixed Asset Controller</p> <p>Chief Financial Officer</p> <p>Chief Financial Officer</p>	<p>N/A</p> <p>31 March 2013</p> <p>N/A</p>	<p>Complete</p> <p>The investigation has yet to commence</p> <p>Complete</p> <p>The useful lives will be reassessed at year end</p>

IMPLEMENTATION OF ACTION PLAN FROM THE FINDINGS OF THE 2012/2013 AUDIT REPORT AND MANAGEMENT REPORT
CONTINUE

AR Para No.	REPORT FINDING	PROPOSED ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	TARGET DATE	CURRENT STATUS/PROGRESS
5.	Restatement of corresponding figures The corresponding figure for prior year property, plant and equipment was reclassified by an amount of R9,481 million and restated by R6,740 million, due to correction of adjustments. The municipality has not provided the effect of this restatement in note 32.	The working papers showing the reclassification of assets in compliance with GRAP are available for audit in 2012/13.	Chief Financial Officer Budget Controller	30 June 2013	100% complete. Information is available
6.	Statement of changes in net assets The municipality did not provide sufficient appropriate audit evidence to support the validity of the additional amount of R3,249 million in the restated balances as at 30 June 2010 in the Statement of changes in net assets.	The details of prior year adjustments is available for audit at 30 June 2013.	Chief Financial Officer	31 January 2013	100% complete.
7.	Loss on sale on disposal of fixed asset The municipality has incurred a loss on disposal of fixed assets amounting to R1,333 million. However the amount has been overstated by R1,010 million	The consultants will be requested to provide workings on the calculation of loss on disposal of fixed assets	Chief Financial Officer	31 January 2013	Consultants will be contacted in January 2013 as they are now on leave.
8.	Commitments disclosure is inadequate The municipality could not provide sufficient appropriate audit evidence to support journals processed for an amount of R31,657 million.	The municipality maintains a contract register which record all expected cash outflows from contracts that have not expired at year-end. Further information on commitments funded with grants is in terms of DoRA.	Chief Financial Officer	30 June 2013	Disclosure is done at year end.

9.	Revenue The municipality did not provide an updated agreement to support the rental of golf club lease stated at R1, which is below market rate. This has resulted in an estimated loss of income of R1,569 million per annum, based on the tariff structure of the municipality.		Koos Villet Municipal Manager	31 March 2013	The drafting of the new agreement is in progress
10.	VAT payable reported instead of VAT receivable It was noted that the Municipality reported a payable of R4 542 528 which could not be supported by any VAT declaration (VAT 201) to South African Revenue Service (SARS).	A statement was received from SARS and it reflects an amount of R due to the municipality. The amount of R4,542,528 shown as a liability will be investigated.	Payroll Administrator	28 February 2013	Investigation will commence in January 2013 once all adjustments have been captured on the accounting system
11.	Unauthorised expenditure The municipality incurred unauthorised expenditure of R10,796 million due to actual exceeding budgeted expenditure for employee costs, councillor remuneration, finance charges, material and bulk purchases and other expenditure. However, this misstatement was not adequately disclosed in note 33 to the annual financial statements	The software used by the consultant was outdated and could not allow the excess expenditure to be captured. The consultant has been requested to use the latest version of the software.	Chief Financial Officer	30 June 2013	Disclosure will be made at year end

**IMPLEMENTATION OF ACTION PLAN FROM THE FINDINGS OF THE 2012/2013 AUDIT REPORT AND MANAGEMENT REPORT
CONTINUE**

AR Para No.	REPORT FINDING	PROPOSED ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	TARGET DATE	CURRENT STATUS/PROGRESS
12.	Irregular expenditure The completeness of irregular expenditure amounting to R7,694 could not be verified as the misstatements that were identified during the audit were not adequately adjusted and no appropriate evidence was provided that the entire population had been evaluated.	The SCM Manager has been instructed to keep the register of unauthorised, irregular, wasteful and fruitless expenditure.	Supply Chain Manager	Immediately	In progress
13.	Trade and other payables The completeness and valuation of trade and other payables amounting to R7,524 million could not be verified as the municipality only addressed and disclosed the unrecorded creditors noted through the audit process.	The accounts department employees have been retrained on how to process invoices on the creditors module. This will obviate the need to prepare a list of accruals at year end and this procedure normally leads to unrecorded liabilities at year end.	Expenditure Accountant Chief Creditors Clerk	1 December 2012	The creditors module is now being used to process invoices.
14.	An Eskom liability of R1,245 million, which will be settled after 12 months was not classified as non-current liability as required by SA standards of GRAP, GRAP 1 <i>Presentation of the financial statements</i> . Consequently, current liabilities are overstated and non-current liabilities are understated by R1,245 million.	This is not a long-term loan but a trade creditor arising from normal trading operations and such is a current liability irrespective of repayment arrangements agreed upon and is repayable on demand should the municipality default.	Chief Financial Officer	N/A	No further action is required
15.	The municipality could not provide sufficient appropriate audit evidence to support a journal entries adjustment totalling R1,941 million for revenue received in advance for land sales.	The list of persons who bought land and paid deposits has been compiled and is being updated. The list will be reconciled to the general ledger on a monthly basis	Fixed Asset Controller	Immediately	95% complete

**IMPLEMENTATION OF ACTION PLAN FROM THE FINDINGS OF THE 2012/2013 AUDIT REPORT AND MANAGEMENT REPORT
CONTINUE**

AR Para No.	REPORT FINDING	PROPOSED ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	TARGET DATE	CURRENT STATUS/PROGRESS
16.	The municipality could not provide sufficient appropriate audit evidence to support the validity of consumer deposits journals processed of R3,108 million.	The amount of R3,108 million has been analysed and relates to expenditure that was cancelled but never reversed. A prior year adjustment will be processed at year end to correct the error	Chief Financial Officer	30 June 2013	Adjustment to be processed at year end
17.	Due to a lack of appropriate systems in place for the recording and maintenance of retentions on the municipal infrastructure grant (MIG) projects, it was noted that based on the budget information, the MIG retention liability was overstated by R948 132.	A register of retention monies will be maintained and reconciled to the ledger on a monthly basis	Budget Controller Technical Services Official	Immediately	20%
18.	The accuracy and completeness of the leave pay provision amount of R1,869 million could not be confirmed due to the errors noted in the manual and electronic leave records, where the differences could not be reconciled.		Human Resources Officer	Immediately	
19.	Provisions The valuation, existence and completeness of and obligations pertaining to the provision for landfill site totalling R1,927 million as disclosed in note 15 to the financial statements could not be confirmed.	A qualified Waste Management Consultant will be engage to perform the valuation of the landfill site provision at year end	Chief Financial Officer Technical Services Consultant	30 June 2013	The valuation will be performed at year end

3.5 GENERAL STATISTICS

uPHONGOLO MUNICIPALITY **Financial year ending 30th June 2012**

Population according to Stats SA **175 000**

Valuation Roll:

Land – 43487600

Improvements – 180045500

Land Assessment rate/improvements 0.153879; 0.005302

Number of properties 3 568

ELECTRICITY STATISTICS:

Units purchased (MWh) 35 329 808

Units sold (Total MWh) 34 833 488

Loss (Units) 496 320

Percentage loss in distribution (MWh) 3.04%

REFUSE:

Businesses 220

Residential 7217

Farms 200

Hospital 2

ROAD INFORMATION:

Belgrade 144 kms

Ncotshane 120 kms

Pongola 33 kms

Magudu 17 kms

Golela 11 kms

Rural Unnumbered

3.6 REPORTS BY AUDIT COMMITTEE

ANNEXURE

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

Report of the Audit Committee 2011/2012

We are pleased to present our report on the review of financial statements for the year ended 30 June 2012.

Audit Committee Members and Attendance:

The audit committee is functional and currently consists of three (3) members listed hereunder and meets at least four (4) times per annum. For the year ended 30 June 2012 the current audit committee met on the 26th of June 2012 as they were only appointed towards the end of May 2012.

The previous Audit Committee which was in existence for the period June 2011 to July 2012 and they held two meetings.

Previous Audit Committee members

The Audit Committee membership and meetings related to 2011/12 financial year are presented below:

Name	Date of Meeting 23 August 2011	Date of Meeting 25 August 2011	Date of Meeting 07 November 2011
Mr P Retief (Acting Chairperson)	✓	✓	x
Mr M.C. Ndwandwe	✓	✓	✓

✓ : Member attended the Audit Committee meeting.

X : Meeting was cancelled as the chairperson had tendered the resignation letter.

Current Audit Committee members

The current Audit Committee only met in the fourth quarter on the 26th of June 2012 as presented below.

Name	Date of Meeting 23 August 2011	Date of Meeting 25 August 2011	Date of Meeting 07 November 2011	Date of Meeting 26 June 2012
Prof Perumal (Chairperson)	N/A	N/A	N/A	✓
Mr. L.G Nxumalo	N/A	N/A	N/A	✓
Mrs. A Stock	N/A	N/A	N/A	✓

✓ : Member attended the Audit Committee meeting.

N/A: Non-members in that period.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 166 of the MFMA

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control.

Based on the reports presented to the Audit Committee by Internal Audit unit during the audit committee meetings, the audit committee noted significant progress being made to improve the internal control system in the municipality. however, based on the report presented to the Audit Committee the following issues came to our attention:

- Lack in internal control
- Unauthorized filling of fuel
- Breach of contract
- Non compliance with vehicle subsidy policy
- Uneconomic use of municipal resources
- Non-confirmation by HOD with regard to accuracy of information of logbook
- Errors of details of debtors statements
- Journals not being reviewed by the second reviewer
- Admin issues with regard to indigents applications
- Tariff and rates problems incurred.
- Billing process not reviewed by the senior official
- Procumbent of services about R30 000 deliberately split into items
- Budget deliberately overspent
- No contract entered into between the uPhongolo Municipality and Ndwandwe Construction.
- Filling of Management positions.

Above matters raised concerned to the Audit Committee as to whether there were in fact proper control in place.

The quality of in year management and monthly/quarterly reports submitted in terms of the MFMA

The audit committee has requested the management to submit the monthly and/ or quarterly reports to the committee which are prepared in terms of MFMA. The reports will be submitted in the financial year 2012/2013.

Evaluation of Financial Statements for 2011/2012

The Annual Financial Statements were:

- Noted on the 30th of August 2012, the AFS were supposed to be discussed and reviewed on the 17th of August 2012 but were not submitted by the Service Provider on time. The annual financial statements to be included in the annual report.

Internal Audit

The audit committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to its results.

Auditor General South Africa

The Audit Committee intends to meet the Auditor General South Africa to ensure that there are no unresolved issues.


Chairperson of the Audit Committee

Date 14/1/2013

3.7 AWARDING OF TENDERS

As per section 6 of the Supply Chain Management Policy of uPhongolo Municipality, a report was submitted to the Council pertaining to the implementation of the Supply Chain Management Policy and the awarding of tenders.

The Following Tender Committees were established within the Council, namely:

Bid Specification Committee – consisting of 3 Members

Bid Evaluation Committee – consisting of 4 members

Bid Adjudication Committee – consisting of 4 members

- Bid Specification Committee
 - Mr S Mkhize – Chairperson
 - Mrs A Maree
 - Mrs M Mills de Beer
 - Mr T Mazibuko
 - Ms N Hadebe
- Bid Evaluation Committee
 - Ms N Hadebe - Chairperson
 - Mrs J Heystek
 - Mr T Bembe
 - Ms A Mncwango
- Bid Adjudication Committee
 - Mr B Ngobese - Chairperson
 - Mrs A van Eeden
 - Ms N Phakathi

The uPhongolo Municipality went out on tender for various projects during the 2011/2012 financial year and submitted the relevant reports to National Treasury. The following tenders were awarded.

TENDERS/QUOTATION AWARDED DURING 2011/2012

NAME OF PROJECT	NAME OF SERVICE PROVIDER WHO WERE AWARDED THE TENDER	AMOUNT TENDERED	DATE OF COMENCEMENT	SPECIFIC CONDITIONS	FUNDING
CHAIRS AND TABLES	MAVALANE WHOLESALE	R 45 690.00	01-Jul-11	CHAIRS AND TABLES FOR MAGUDU HALL	OWN FUNDS
MOBILE TOILETS	ISIVINI TRADING	R489,4.3.20	01-Jul-11	MOBILE TOILETS	OWN FUNDS
SUPPLY OF BED AND BREAKFAST	THE GUEST HOUSE	PRICE LIST	13-Jul-11	ACCOMMODATION IN PONGOLA	OWN FUNDS
PRE-PAID METERS	BEST 2 ELECTRICAL	R 924 779.40	27-Jul-11	SUPPLY, DELIVERY AND INSTALLATION OF NEW ELECTRICITY PRE-PAID METERS	OWN FUNDS
PRE-PAID ELECTRICITY VENDING MACHINE	CONTOUR TECHNOLOGY	R 40 000.00	27-Jul-11	SUPPLY, DELIVERY AND INSTALLATION OF PRE-PAID ELECTRICITY VENDING	OWN FUNDS
PAUPER/INDIGENT BURIAL	THUTHUKANI FUNERAL PARLOUR	R418.00 ADULT COFFIN R 183.00 BABY COFFIN	01-Aug-11	PROVISION OF SERVICE OF PAUPER/INDIGENT BURIAL	OWN FUNDS
ELECTRIFICATION	K ELECTRICAL	R 82 798.04	03-Aug-11	SUPPLY OF ELECTRICAL MATERIAL FOR ELECTRIFICATION OF ERF 262	OWN FUNDS
SUPPLY CHAIN TRAINING	PEAKFORD MANAGEMENT	R 41 040.00	23-Aug-11	SUPPLY CHAIN MANAGEMENT TRAINING	OWN FUNDS
SPORT EQUIPMENT	SBONGA TRADING	R52,567.49	29-Sep-11	SPORT EQUIPMENT MAYORAL CUP 2011/2012	OWN FUNDS
CATERING	SCC TRADING	R46,910.00	30-Sep-11	CATERING FOR MAYORAL CUP 2011/2012	OWN FUNDS
SUPPLY OF CLOTHING	FANA MANUFACTURING	R175,555.96	03-Oct-11	SUPPLY OF CLOTHING MAYORAL CUP 2011/2012	OWN FUNDS
CONSTRUCTION OF MV AND LV LINES - MGWADLU	A1 ELECTRICAL	R6,862,851.44	12-Oct-11	CONSTRUCTION OF MV AND LV LINES - ELECTRIFICATION OF 510 CONNECTIONS - MGWADLU	OWN FUNDS
TRAFFIC OFFICERS UNIFORMS	SPARK AND ELLIS	R73,516.91	17-Oct-11	SUPPLY OF TRAFFIC OFFICERS UNIFORMS	OWN FUNDS
BLACK DIESEL 4X4 SUV (3.0)	PONGOLA TOYOTA	R434,618.08	24-Oct-11	SUPPLY AND DELIVERY OF BLACK DIESEL 4X4 SUV (3.0)	OWN FUNDS

TENDERS AWARDED - CONTINUE

NAME OF PROJECT	NAME OF SERVICE PROVIDER WHO WERE AWARDED THE TENDER	AMOUNT TENDERED	DATE OF COMENCEMENT	SPECIFIC CONDITIONS	FUNDING
CONSTRUCTION OF MV AND LV LINES - ALTONA AND ORANJEDAL	JHJ ELECTRICAL NAME OF SERVICE PROVIDER WHO WERE AWRDED THETENDER	R4,549,777.70	28-Oct-11	CONSTRUCTION OF MV AND LV LINES - ELECTRIFICATION OF 390 CONNECTIONS - ALTONA AND ORANJEDAL	OWN FUNDS
CONSTRUCTION OF MV AND LV LINES - SIBIYANGENKOMO AND EMANYANDENI	A1 ELECTRICAL	R4,538,280.72	28-Oct-11	CONSTRUCTION OF MV AND LV LINES OF 350 CONNECTIONS - SIBIYANGENKOMO AND EMANYANDENI	OWN FUNDS
MUNICIPAL POUND	MPIP	R994,560.00	06-Dec-11	DEVELOPMENT OF A FULLY OPERATIONAL MUNICIPAL POUND	OWN FUNDS
SAFETY CLOTHING	SKLAZ CONSTRUCTION	R142,899.00	23-Dec-11	SAFETY CLOTHING	OWN FUNDS
DEVELOPMENT FRAMEWORK PLAN FOR BELGRADE	VUKA AFRICA	R98,874.00	13-Jan-12	DEVELOPMENT FRAMEWORK PLAN FOR BELGRADE	OWN FUNDS
LAND SURVEYOR	B.M.BARSDORF	PRICING SCHEDULE	16-Jan-12	CONTRACTUAL APPOINTMENT LAND SURVEYOR	OWN FUNDS
CONSTRUCTION OF FLEA MARKET INFRASTRUCTURE	TRADING FOR REAL CC	R2,635,471.00	16-Jan-12	CONSTRUCTION OF FLEA MARKET INFRASTRUCTURE	OWN FUNDS
FINANCIAL INSTITUTIONS TO FINANCE EARTH MOVING EQUIPMENT	ABSA	R4,154,051.00	01-Mar-12	FINANCIAL INSTITUTIONS TO FINANCE EARTH MOVING EQUIPMENT	OWN FUNDS
SUPPLY AND DELIVERY OF 2 DIESEL 4X4 LDV'S	PONGOLA TOYOTA	R313,045.23	14-Mar-12	SUPPLY AND DELIVERY OF 2 DIESEL 4X4 LDV'S	OWN FUNDS
SUPPLY OF 4 BLADE, 1.8 M SLASHER	TD AGRI	R26,518.68	09-May-12	SUPPLY OF 4 BLADE, 1.8 M SLASHER	OWN FUNDS
NEW TELECOMMUNICATION SYSTEM	TELKOM SA LIMITED	R285,013.80	09-May-12	SUUPPLY, DELIVERY, INSTALLATION AND MAINTENANCE OF A NEW TELECOMMUNICATIONS SOLUTIONS	OWN FUNDS
LED:CHICKENS	PENVAAN FEEDS	R63,127.50	18-Jun-12	SUPPLY OF DAY OLD CHICKEN AND BROILER CRUMBS	OWN FUNDS
LED:HARDWARE	CASHBUILD	R128,149.00	18-Jun-12	SUPPLY OF HARDWARE FOR WARD UPLIFTMENT	OWN FUNDS

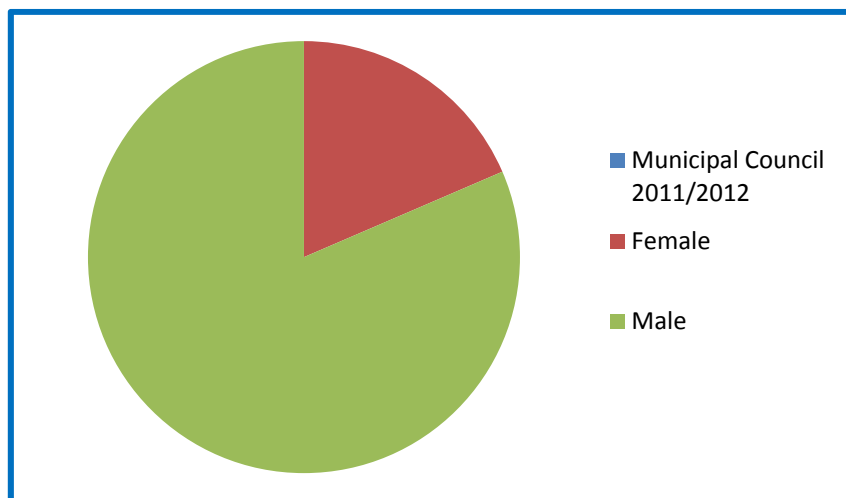
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

4.1 uPHONGOLO MUNICIPALITY – ORGANISATIONAL DESIGN

Are accountable to local communities and must report back at least quarterly to constituencies on Council matters, including the performance of the municipality in terms of the established indicators. In order to ensure that Councillors fulfil their obligations to the communities and support the achievement by the municipality of these objectives, all Councillors are subjected to a code of Conduct.

The uPhongolo Local municipality has 5 women Councillors of the 27 and 22 males.

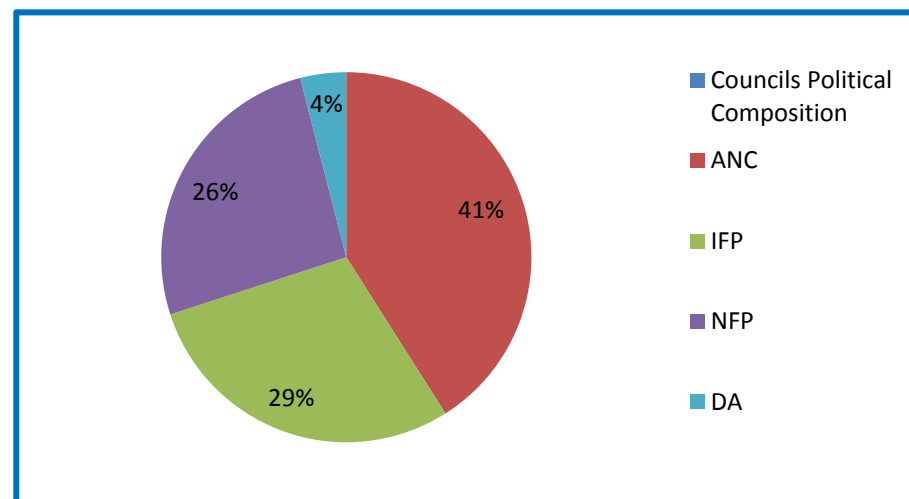
MUNICIPAL COUNCIL - GENDER COMPOSITION:



Council

The uPhongolo Local Municipality has 27 Councillors, 14 are ward councillors and 13 are proportional candidates elected to represent political parties on the basis of proportional representation. The term of office for a Council is five years and ends when the next Council is declared elected. Councillors

COUNCILS POLITICAL COMPOSITION:



4.2 FUNCTIONS AND POWER OF DIGNITARIES

MAYOR

The Honourable Mayor of the uPhongolo Local Municipality is the Chairperson of the Executive Committee. He performs the duties, including any ceremonial functions, and exercises the powers delegated to the mayor by the Municipal Council or Executive Committee. UPhongolo Municipality has a full time speaker.

EXECUTIVE COMMITTEE

The Council established an Executive Committee comprising of 5 members. The Mayor, in conjunction with the Council decides when and where EXCO Meets. It is composed in the following Way: 2 ANC seats 2 NFP and IFP 1 seat.

The Executive Committee is the management or principle committee of the Municipality. It receives reports from other committees of Council and must forward these reports together with its recommendation to the full Council Meeting for approval and considerations.

SUPPORTING COMMITTEES

The Municipal Structures Act, Act No 117 of 1998 makes provision that a Council may establish Committees, so-called section 79 Committees.

The Council has four (4) Portfolio Committees and the Executive Committee member's serves as Members of the Executive Committee are tasked with the responsibility of chairing the supporting committees.

- Finance Committee
- Human Resource/staff Committee
- Technical and infrastructure and planning Committee
- Social Community and LED Committee

Chairpersons of the portfolio Committees.

These Committees meet at least once a month. They have certain delegated powers by which they take decisions on behalf of the Council, and are required to report and make recommendations to Council on matters falling within their spheres of operation.

OFFICE OF THE SPEAKER

The Local Government Municipal Structures Act, Act 117 of 1998 provides that each Municipal Council must have a chairperson who is called the Speaker. The Speaker is elected by the Council from among the Councillors at the first sitting of the council after the Local Government elections.

The Speaker acts as a chairperson at Council Meetings, and ensures the compliance of the Council's code of conduct, rules and orders. He or she also ensures the proper functioning of the legislative side of the Council, and is required to be impartial. The speaker also ensures community participation in legislative initiatives and should communicate with the public on the performance of the Council. The speaker has ex officio sitting in all committees of the Council, with no voting rights.

Challenges of the Office of the Speaker

Training of ward committees stays a challenge as they cannot function up to the standard expected by the Council and the Community and however makes it difficult for them to write acceptable minutes and also to execute their responsibilities as ward committee members.

Unavailability of working facilities for Ward Councillor's e.g Community Halls for other wards where Councillors can hold their meetings and other community related meetings.

4.3 uPHONGOLO MUNICIPALITY - ADMINISTRATION

The Organogram operates with 4 departments, namely: Technical Services, Community Services, Corporate Services and Financial Services.

- 1 Municipal Manager
- 4 Departmental Managers
- 2 Assistant Departmental Managers
- 1 Operational Manager from Technical Departments

The four Departmental Managers include: Manager Corporate Services, Manager Technical Service currently vacant, Manager Community Service and Financial Services also currently vacant along with the Office of the Municipal Manager which is also vacant and the Office of the Mayor. We have a specialized workforce, with a total staff complement of 183 employees, 10 interns 1 from Human Resource office 1 from Tourism and 8 from Finance the 3 from finance are the ones that are completing their in serving agreement and 5 are new. And 57 temporary staff members.

There are clear communication channels between workers and management.

Organizational standing rules and procedures are in place which exercises a stable internal environment.

COUNCIL

The uPhongolo Local Municipality has 27 Councillors, 14 are ward councillors and 13 are proportional candidates elected to represent political parties on the basis of proportional representation. The term of office for a Council is five years and ends when the next Council is declared elected. Councillors are accountable to local communities and must report back at least quarterly to constituencies on Council matters, including the performance of the municipality in terms of the established indicators. In order to ensure that Councillors fulfill their obligations to the communities and support the achievement by the municipality of these objectives, all Councillors are subjected to a code of Conduct.

The uPhongolo Local municipality has 5 women Councillors of the 27 and 22 males.

DISCIPLINARY ACTION:

From July 2011, 2 African males were dismissed, 1 African male and 1 African female received final written warnings,

STAFF MEMBERS WHO DIED:

1 African Male and 1 African Female died from Technical Department

RESIGNED

2 African male contract of employment expired 31st July 2011
3 African male (1) 25th November 2011, (1) 29th February 2012 and (1) 18th May 2012
4 White Female resigned (1) 30th November 2011 (1) 31st January 2012 (1) 20th February 2012 (1) 25th April 2012
1 African Female 20th April 2012

PROMOTIONS:

1 African female

NEW APPOINTMENTS:

6 African male
2 African female
2 African Male (interns)
2 White female
1 coloured female

4.4 uPHONGOLO MUNICIPALITY – EMPLOYMENT EQUITY:

EMPLOYMENT EQUITY

Employment Equity

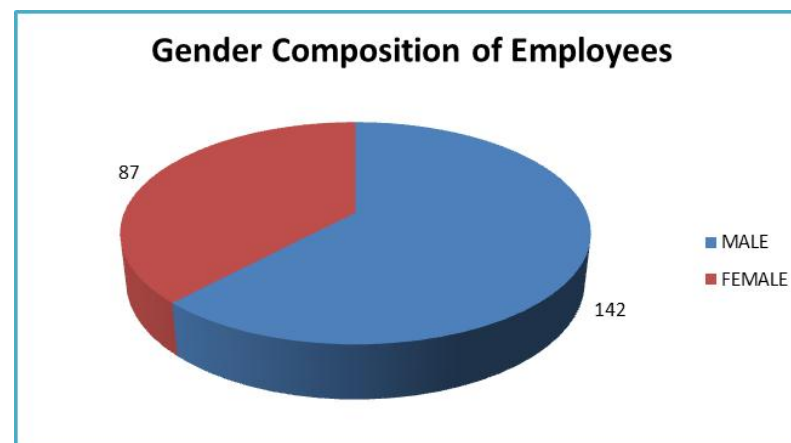
The Municipality is strongly committed to the achievement of Employment Equity and equal opportunities for all employees. The Municipality is actively working towards creating and maintaining a fair and equitable working environment, free from all forms of discrimination. Council has in place an

Employment Equity Plan which sets the strategic direction of the municipality's overall employment equity programmes, and supports the municipality's commitment to equal justice. The plan is set over a period of five years and is re-assessed annually. The plan focuses on four areas, namely:

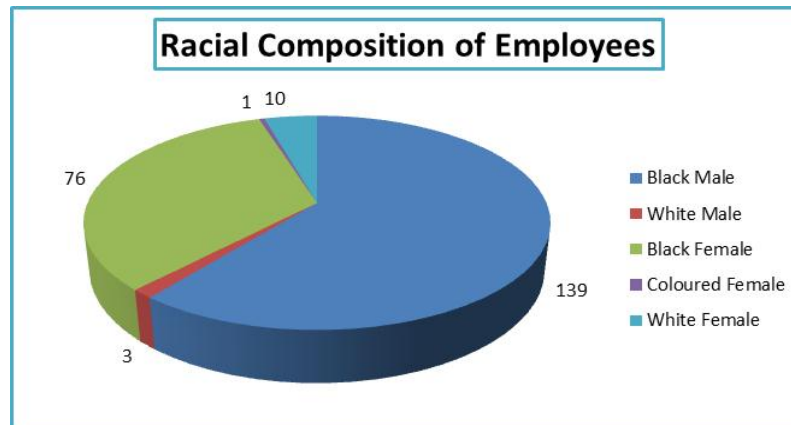
- . The integration of Employment Equity within policy, planning and management system.
- . Ensuring employment practices do not discriminate against employees or potential employees.
- . Promoting Employment Equity and workforce diversity.
- . Ensuring a work environment that is free from racial harassment.

A fully functional Employment Equity/ Skills Development Committee is in place, where issues relating to Employment Equity are discussed. The Committee met quarterly. The tables below reflect the gender and racial composition of the council's employees.

GENDER:



RACIAL COMPOSITION:



THE FOLLOWING TABLES ARE FROM THE COUNCIL'S EMPLOYMENT EQUITY PLAN 2011/2012:

1. WORKFORCE PROFILE AND CORE & SUPPORT FUNCTIONS & OCCUPATIONAL CATEGORIES

1.1 Please report the total number of employees (including employees with disabilities) in each of the following **occupational levels**: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	2	0	0	0	0	0	0	1	0	0	3
Senior management	0	0	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	5	0	0	0	1	0	0	0	0	0	6
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	22	0	0	1	27	2	0	6	0	0	58
Semi-skilled and discretionary decision making	26	0	0	0	8	0	0	2	0	0	36
Unskilled and defined decision making	51	0	0	0	30	0	0	0	0	0	81
TOTAL PERMANENT	106	0	0	2	66	2	0	9	0	0	185
Temporary employees	1	0	0	0	0	0	0	0	0	0	1
GRAND TOTAL	107	0	0	2	66	2	0	9	0	0	186

1.2 Please report the total number of **employees with disabilities** in each of the following occupational levels:
 Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	0	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	1	0	0	0	0	0	0	0	0	0	1
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	1	0	0	0	0	0	0	0	0	0	1
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	1	0	0	0	0	0	0	0	0	0	1

2. Core operation

2.1 Please indicate the total number of employees (including people with disabilities), that are involved in /**Core OperationalFunction** positions at each level in your organization. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	3	0	0	0	1	0	0	0	0	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	11	0	0	1	10	1	0	2	0	0	25
Semi-skilled and discretionary decision making	5	0	0	0	3	0	0	2	0	0	10
Unskilled and defined decision making	1	0	0	0	0	0	0	0	0	0	1
TOTAL PERMANENT	20	0	0	2	14	1	0	4	0	0	41
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	20	0	0	2	14	1	0	4	0	0	41

2.2 Please indicate the total number of employees (including people with disabilities), that are involved in **Support Function** positions at each level in your organization. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	2	0	0	0	0	0	0	1	0	0	3
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	2	0	0	0	0	0	0	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	11	0	0	0	17	1	0	4	0	0	33
Semi-skilled and discretionary decision making	21	0	0	0	5	0	0	0	0	0	26
Unskilled and defined decision making	50	0	0	0	30	0	0	0	0	0	80
TOTAL PERMANENT	85	0	0	0	52	1	0	5	0	0	144
Temporary employees	1	0	0	0	0	0	0	0	0	0	1
GRAND TOTAL	87	0	0	0	52	1	0	5	0	0	145

3. Recruitment

3.1 Please report the total number of new recruits, including people with disabilities. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	1
Senior management	1	0	0	1	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management	1	0	0	0	1	0	0	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	0	0	0	2	0	0	0	0	0	2
Semi-skilled and discretionary decision making	5	0	0	0	3	0	0	2	0	0	10
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	8	0	0	1	6	0	0	2	0	0	17
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	8	0	0	1	6	0	0	2	0	0	17

4. Promotion

4.1 Please report the total number of promotions into each occupational level, including people with disabilities.
Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	0	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	0	0	0	0	0	0	0	0	0	0	0
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	0	0	0	0	0	0	0	0	0	0	0

5. Termination

5.1 Please report the total number of terminations in each occupational level, including people with disabilities. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	0	0	0	1	0	0	2
Senior management	2	0	0	0	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	1	0	0	0	2	0	0	1	0	0	4
Semi-skilled and discretionary decision making	2	0	0	0	1	0	0	1	0	0	4
Unskilled and defined decision making	1	0	0	0	0	0	0	0	0	0	1
TOTAL PERMANENT	7	0	0	0	3	0	0	3	0	0	13
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	7	0	0	0	3	0	0	3	0	0	13

5.2 Please report the total number of terminations, including people with disabilities, in each **termination category** below. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Terminations	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Resignation	4	0	0	0	3	0	0	3	0	0	10
Non-Renewal Of Contract	1	0	0	0	0	0	0	0	0	0	1
Dismissal - Operational Requirements(Retrenchment)	0	0	0	0	0	0	0	0	0	0	0
Dismissal - Misconduct	2	0	0	0	0	0	0	0	0	0	2
Dismissal - Incapacity	0	0	0	0	0	0	0	0	0	0	0
Retirement	0	0	0	0	0	0	0	0	0	0	0
Death	0	0	0	0	0	0	0	0	0	0	0
TOTAL	7	0	0	0	3	0	0	3	0	0	13

6. Skills Development

6.1 Please report the total number of people from the designated groups, including people with disabilities, who received training **solely** for the purpose of achieving the numerical goals, and not the number of training courses attended by individuals. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management	1	0	0	0	0	0	0	1	2
Senior management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	2	0	0	0	1	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	4	0	0	0	2	1	0	1	8
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	7	0	0	0	3	1	0	2	13
Temporary employees	0	0	0	0	0	0	0	0	0
GRAND TOTAL	7	0	0	0	3	1	0	2	13

6.2 Please report the total number of **people with disabilities** only who received training **solely** for the purpose of achieving the numerical goals, and not the number of training courses attended by individuals. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	0	0	0	0	0	0	0	0	0
Temporary employees	0	0	0	0	0	0	0	0	0
GRAND TOTAL	0	0	0	0	0	0	0	0	0

7. Numerical goals

7.1 Please indicate the numerical goals (i.e. the workforce profile) you project to achieve for the total number of employees, including people with disabilities, at the end of your current employment equity plan in terms of occupational levels. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	1
Senior management	1	0	0	0	0	0	0	1	0	0	2
Professionally qualified and experienced specialists and mid-management	1	1	1	0	0	0	0	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	1	0	0	1	1	2	0	0	0	5
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	3	2	1	0	1	1	2	1	0	0	11
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	3	2	1	0	1	1	2	1	0	0	11

7.2 Please indicate the numerical goals (i.e. the workforce profile) you project to achieve for the total number of **employees with disabilities only** at the end of your current employment equity plan in terms of occupational levels.

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	1	0	0	1	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	0	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	0	0	0	0	1	0	0	1	0	0	2
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	0	0	0	0	1	0	0	1	0	0	2

8. Numerical Targets

8.1 Please indicate the numerical targets (i.e. the workforce profile) you project to achieve for the total number of employees, including people with disabilities, at the end of the next reporting in terms of occupational levels. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	1
Senior management	0	0	0	0	0	0	0	1	0	0	1
Professionally qualified and experienced specialists and mid-management	1	1	1	0	0	0	0	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	0	0	0	1	1	2	0	0	0	4
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	2	1	1	0	1	1	2	1	0	0	9
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	2	1	1	0	1	1	2	1	0	0	9

8.2 Please indicate the numerical targets (i.e. the workforce profile) you project to achieve for the total number of **employees with disabilities only** at the end of the next reporting period in terms of occupational levels. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	1	0	0	1	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	0	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	0	0	0	0	1	0	0	1	0	0	2
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	0	0	0	0	1	0	0	1	0	0	2

9. Disciplinary Action

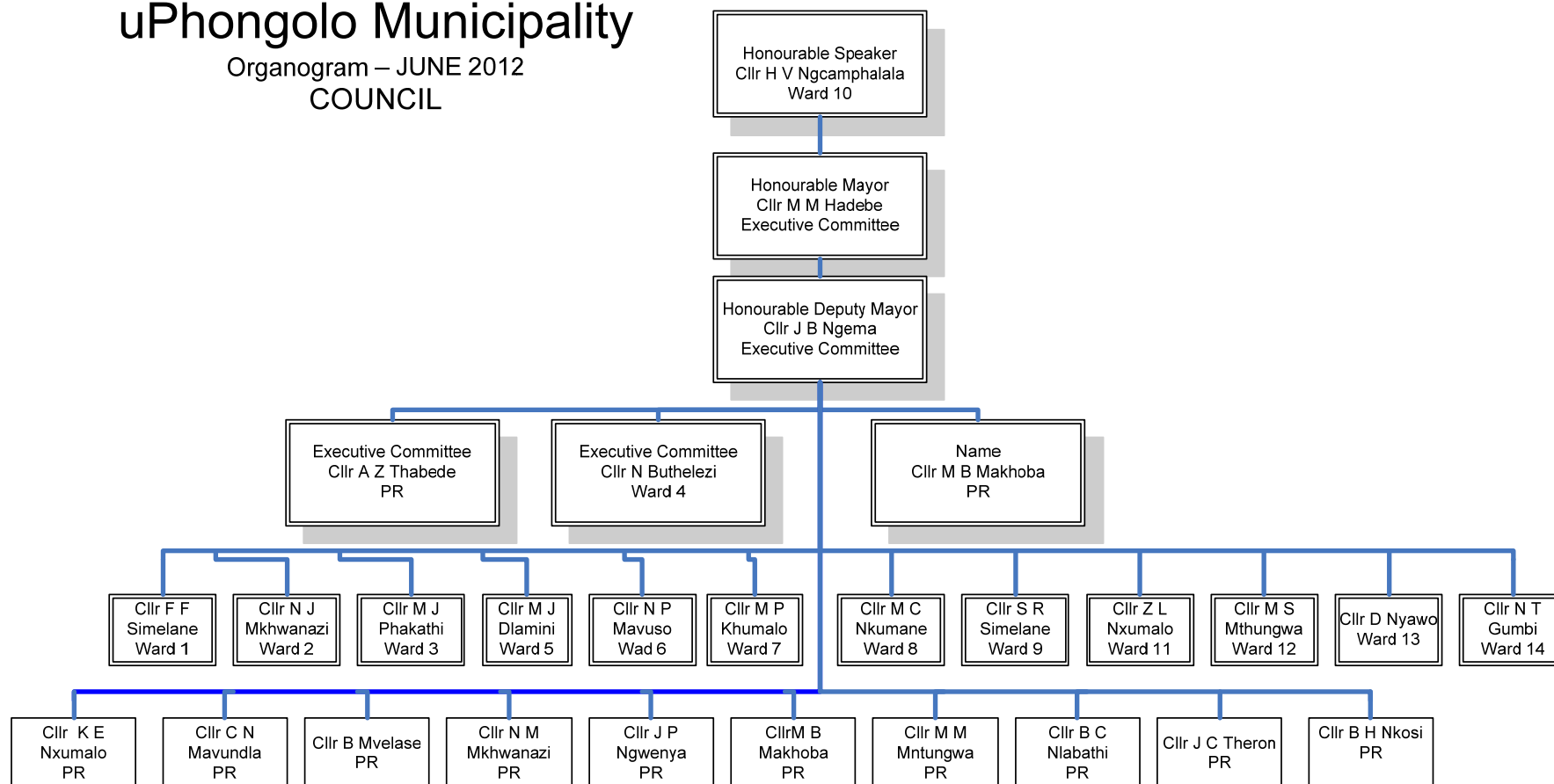
9.1 Disciplinary action: (report the total number of disciplinary actions during the twelve months preceding this report). Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Disciplinary Action	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
	4	0	0	0	2	0	0	1	0	0	

4.4.1 ORGANOGRAM COUNCIL

uPhongolo Municipality

Organogram – JUNE 2012
COUNCIL

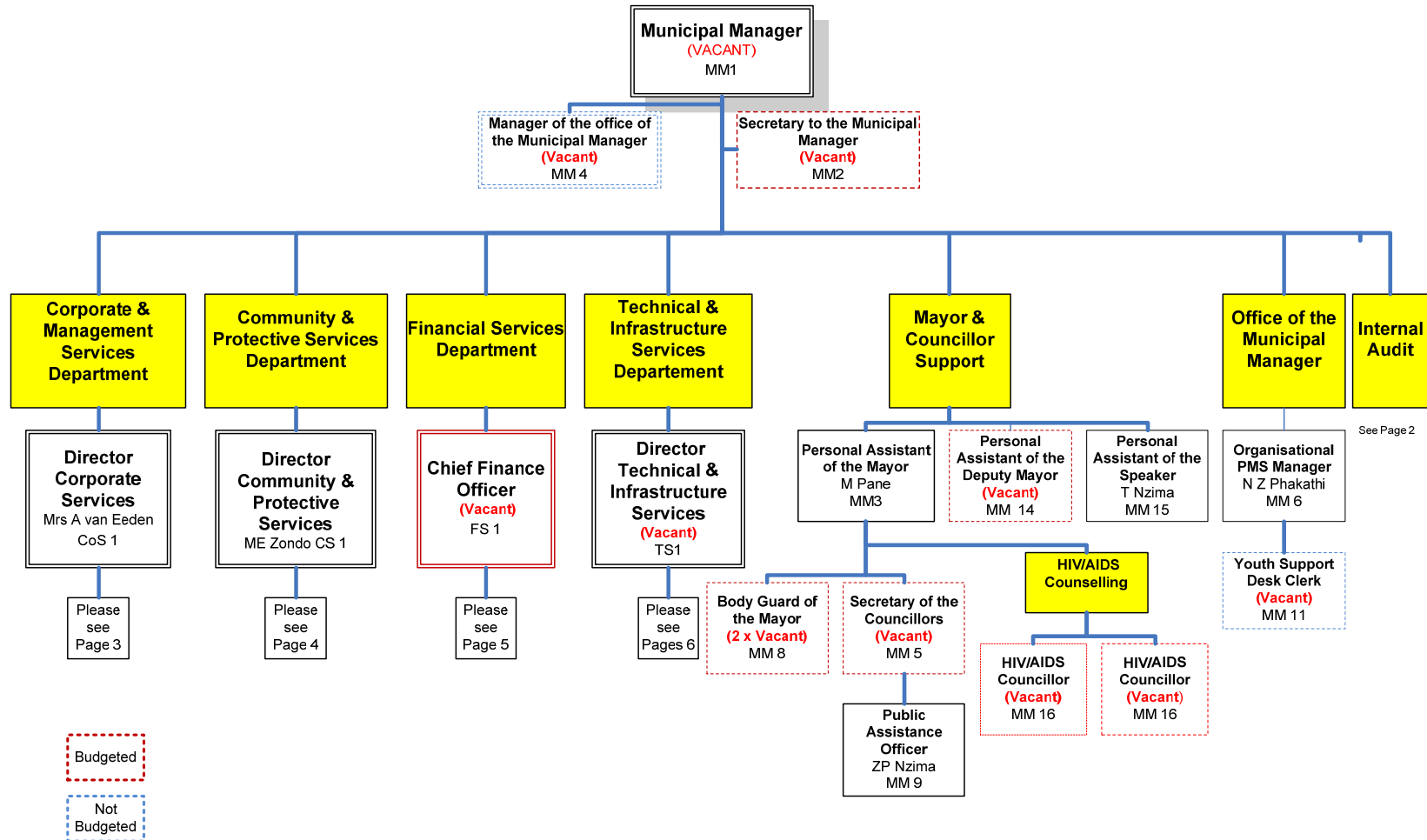


1.4.3 ORGANOGRAM STAFF AS ON THE 30TH JUNE 2012

uPhongolo Municipality

Functional Organogram – JUNE 2012

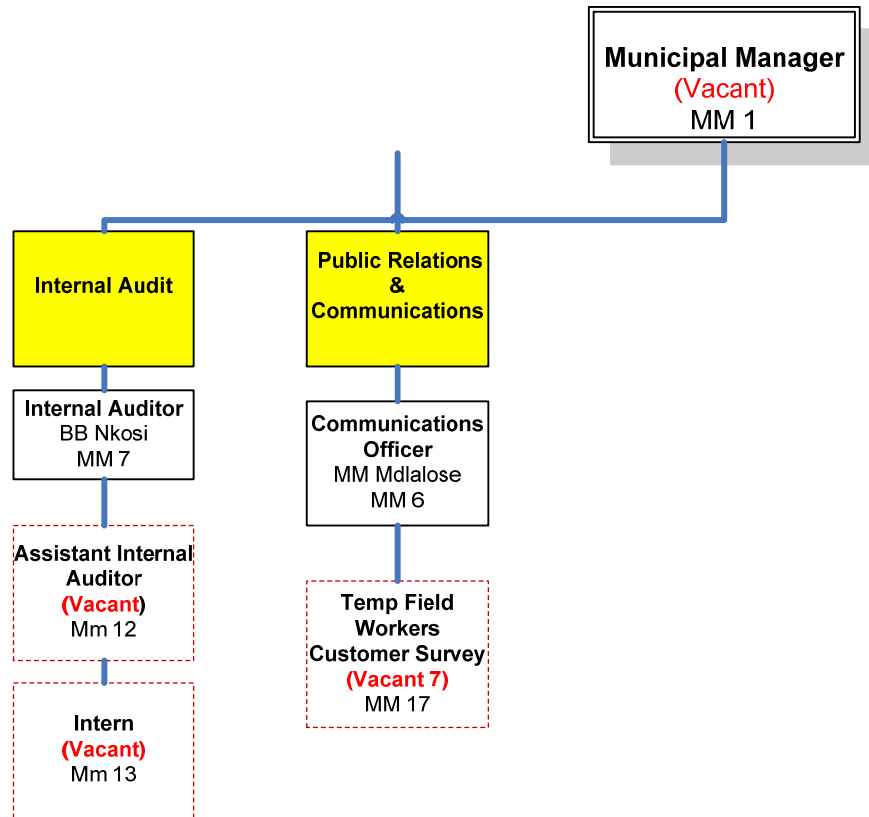
Office of the Municipal Manager



uPhongolo Municipality

Functional Organogram – JUNE 2012

Office of the Municipal Manager



4.5 uPHONGOLO MUNICIPALITY – SKILLS DEVELOPMENT

The Council has a Skills Development Plan which is submitted annually to the Local Government SETA (LGSETA). The Workplace Skills Plan, as the plan is known, is completed annually and sets out all the training priorities and planned training for each year. The Skills Development/Training Committee is fully functional and in place where, issues relating to training and development are discussed.

The uPhongolo Local Municipality arranges training sessions for the Councillors as well as all staff members where the Councils Policies, Delegated Powers, etc. are workshopped with all to ensure that everybody within the employ of the Council has the knowledge to implement and adhere to Councils Policies.

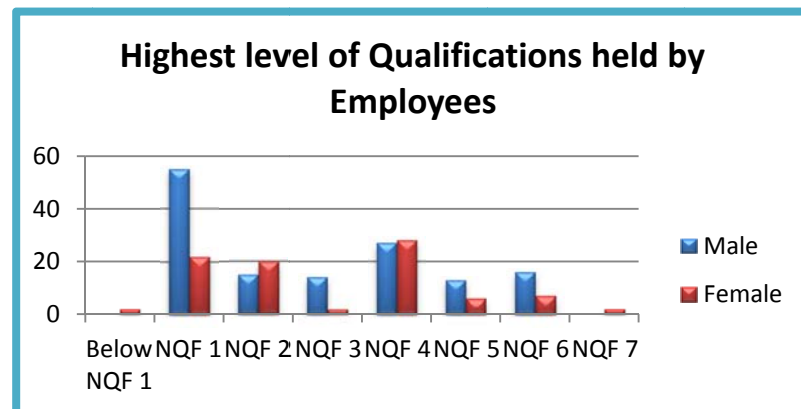
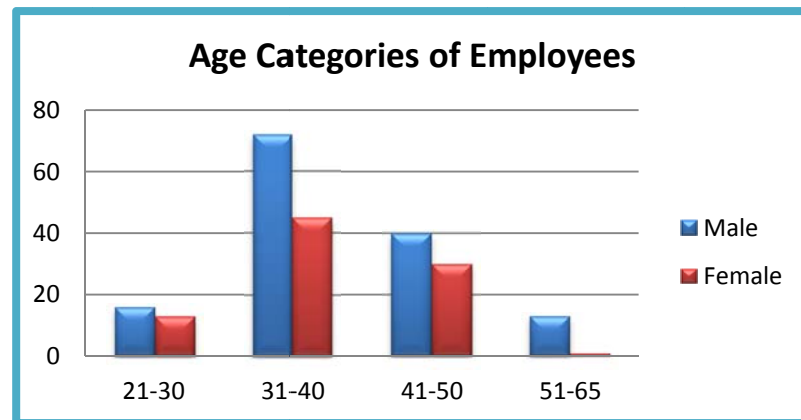
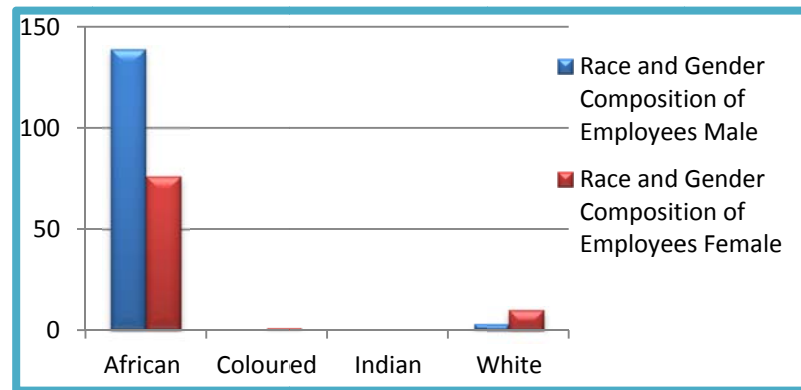
The uPhongolo Local Municipality takes students in as interns in the various Departments and when the Interns period of training have ended these students are 90% of times offered permanent positions within the Municipality. The interns that completed their training from previous year are now permanently employed.

A comprehensive training plan has been drafted for all levels of the workforce and is implemented subjected to availability of funding.

uPhongolo Local Municipality ensures that staff are elected for training as per Councils Skills Training Plan as and when the cashflow allows for it.

uPhongolo Municipality trained 44 staff members, 10 Tour guides, 27 Councillors, 240 Community members in computer skills from July 2011 to June 2012.

uPhongolo Municipality spent an amount of R353 267.49 on training for 2011/2012 Financial Year.



4.6 PERFORMANCE MANAGEMENT SYSTEM

uPhongolo Local Municipality has a fully functional PMS System in place. All the staff from section 57 Managers down to the General assistants is measured on a quarterly basis. IPMS is fully functional.

The Performance Audit Committee is in place and met 2 times during the 2011/2012 financial year. The Section 57 employees were measured and audited by the Internal Auditors, 2 quarters which is the first and the second quarter, the third and the fourth quarters were not audited and each quarter PricewaterhouseCoopers. The Municipal Manager was not evaluated by the Honourable Mayor on a quarterly basis due to the non finalization of the evaluation of the Technical Manager.

The Performance outcome of the rest of the staff is used to identify shortcomings within each designation and it is discussed with each staff member and training is identified and for these shortcomings and form part of Councils Skills Training Plan.

Employees Performance Management Policy has been reviewed adopted by Council.

A well-established IDP document, Budget and SDBIP is linked to the PMS with clear set KPI's and KPA's that is connected to the National Key Performance Indicators and connected to Councils budget. These KPI's were adjusted and brought in line with the IDP, Budget and SDBIP. ESP who was appointed by COGTA had a 3 day session with uPhongolo bring in line various score sheets developed by ESP for COGTA with the PMS of Council, and assisted the Municipality to compile the OPMS Audit Portfolio as required by the Auditor General.

All contracts of Section 57 Employees are linked to the PMS with clear deliverables set against the IDP. Permanent employees have all been provided with Job Descriptions. In terms of the Act there is a Performance Management Committee in place who

evaluates the Municipal Manager and the Section 57 Managers directly accountable to the Municipal Manager.

All Section 57 Employees have signed their Performance Agreements, and the Individual Performance Plans and Personal Development Plans had been amended and brought in line with the IDP, SDBIP and Budget. These documents were signed and submitted to the relevant National and Provincial Department.

All Section 57 Employees have a Performance Development Plan and Training is aligned with the Plan.

uPhongolo Municipality has a fully developed IPMS (Individual Performance Management System) in place. All the staff is measured on a quarterly basis although they do not receive performance bonuses the IPMS results is used to determine the areas in which each staff member needs skills development, and this information is then used to draft the Skills Training Plan.

Training is then provided as and when it becomes available.

The Internal Audit Reports have been submitted to COGTA as per their requirements.

Problem areas identified within the OPMS are will be corrected and the 2013/2014 OPMS will be aligned with audit queries and comments.

4.7 SUCCESS IN REACHING SDBIP TARGETS 2011/2012 OFFICE OF THE MAYOR AND MUNICIPAL MANAGER

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarterly Targets Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Department - Municipal Managers Office												
1. Vote: Executive and Council												
1. Mayoral Office												
Report on implementation of budget	Submit quarterly to Council	4		1	0	1	1	1		1	1	
Performance indicators in S D B I P	Made public in July 2011	1		1	1							
Performance agreements in S D B I P	Made public in July 2011	1		1	1							
Time schedule of key deadlines for budget and IDP process	Tabled in August 2011	1		1	1							
Mid year performance assessment report	Tabled in January 2012	1						1	1			
Adjustments budget	Tabled in January 2012	1						1	1			
Annual report	Tabled in January 2012	1						1	1			
Draft budget, revisions to IDP, resolutions and other related documents	Tabled in March 2012	1						1	1			
Issues raised in Auditors-General report	Addressed in March 2012	1						1	1			
Consultation on draft budget	No. of meetings in April 2012	3								3	1	
Responds to submissions of community	Amends budget in May 2012	1								1	0	
Service Delivery and Budget Implementation Plan	Approve in June 2012	1								1	0	
Grants in aid		All		100%	60%	100%	70%	100%	70%	100%	70%	Main activity o/s is the implementation of the Ward upliftment Programme Project. Mayors office to inform Ward Cllrs to speed up the process of identifying the sustainable projects
2. Capital Budget												
Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarterly Targets Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Report to Council on the expenditure incurred on staff salaries, wages, allowances and benefits	Submit quarterly to Council	4		1	0	1	1	1	0	1	0	
Time schedule of key deadlines for budget and IDP process												
	Made public in July 2011	1		1	1							
Annual financial statements to Auditor-General	Submit end of August 2011	1		1	1							
Submit performance information to Auditor-General	Submit end of August 2011											
IDP consultation processes												Ward Cllrs to commence together with Hon Mayor with IDP Projects identification
	Start in August 2011	3		2	1	1	0					
Internal Strategic Consultation processes												Various IDP Forum meetings have been held and attended by IDP Manager. Two HOD's still need to forward to IDP Manager requested Departmental information
	Begin in September 2011	6				3	2	3	0			
Engages with national and provincial sector depts on sector spesific programmes for alignment with IDP												
	Begin in September 2011	4				4	2					
Impact of different service delivery levels on rates and tariffs	Inform community in Oct 2011	1				1	0					
National policies, budget plans and potential price increases of bulk resources	Review with dept heads in Oct 11	1				1	1					
Changes to the IDP for incorporation into IDP review	Review in November 2011	1				1	1					
Mid year performance assessment report to Mayor, N T and P T	Submit in January 2012	1						1	0			
Annual report	Made public in January 2012	1						1	1			
Annual report to AG, PT and D T & L G	Submit in January 2012	1						1	1			
National and Provincial allocations	Review in January 2012	1						1	0			

OFFICE OF THE MAYOR AND MUNICIPAL MANAGER – CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Municipal Manager (continues)												
Draft budget and plans for next 3 years to Mayor	Submit in February 2012	1						1	1			
Oversight report of annual report	Made public in April 2012	1						1	0			
Draft budget, plans and proposed revisions to IDP	Publish in March 2012	1						1	1			
Approved budget and budget related policies	Publish in June 2012	1								1	1	
Draft SDBIP and annual performance agreements to Mayor	Submit in June 2012	1								1	1	
Approved SDBIP to National Treasury	Submit in June 2012	1								1	1	
Declaration of interest	Management	All		100%	100%	100%	100%	100%	100%	100%	100%	
Appointment of Supply Chain Management Officials	Appointment letters in July	1		1	1							
4. Vote: Administration												
Correspondence received	Management/reply	All		100%	100%	100%	100%	100%	100%	100%	100%	
Executive resolutions	Management	All		100%	80%	100%	80%	100%	90%	100%	90%	Correspondence regarding resolutions have been forwarded to relevant Departments /Officials. Delay is regarding SCM procedure and other Legislative requirement needed to be complied with
5. Capital Budget Projects												
Extention of Main Boardroom R2 900 000.00 as per Council resolution comply with ledgislation to obtain a Long Term Loan and prepare tenders will continue in 2011/12	Completed June 2012	100%		40%	40%	60%	70%	80%	70%	100%	70%	Awaiting for Hon Mayor to sign for the loan from ABISA so that the Funds can be released and tender advertised.
Ward Upliftment Project R500 000.00 - July 2011 - June 2012	Completed June 2012	100%		25%	10%	50%	10%	75%	30	100%	30%	Even though the Budget was approved the Ward Upliftment Projects need to be identified and approved by Council

CORPORATE SERVICES DEPARTMENT

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
Vote/Indicator	Unit of Measurement	Annual Target	Revised Target	Quarterly Targets								Explanation of Variance
				Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
				Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	
Department - Corporate Services												
1. Vote: Finance & Administration	Council	4		1	4	1	3	1	5	1	8	
	Exco	11		3	4	2	4	3	6	3	6	
	Amakosi	4		1	1	1	0	1	0	1	0	
	Manco	20		4	6	4	6	4	4	4	3	
	MAP	11		3	3	3	2	3	0	2	0	Project finalized
1.1 Administration	No. of Agendas and Minutes HR/Labour Forum/Corporate Deptmeeting/Tourism/Skills Meeting	6		2	4	2	1	1	6	1	6	
Enquiries and complaints	No. of replies	All		100%	100%	100%	100%	100%	100%	100%	100	
Skills Development Plan	Submit report by June 2012	1								1	1	
Draft 2012/2013 budget	Submit in November 2011	1				1	0					
												Information not supplied in electronic format by the Acting CFO to be captured on the Website - numerous memo's were written to request the information
Draft 2012/2013 budget	Published in April 2012 & website	1								1	0	
Draft S D B I P	Submit in May 2012	1						1	1			
Approved 2012/2013 budget	Published in June 2012	1						1	1			
Performance agreements and S D B I P	Made public in August 2011	1		1	1							
Performance Management System 2012/2013	PMS Implemented by July 2012	1								1	1	
Assets register	Inventories	All		100%	100%	100%	100%	100%	100%	100%	100%	
Annual Report	Draft 31 October 2011	1				1	1	1	1			
IDP input Corporate Service		1					1	1	1			
Website compliance with Section 75 of MFMA		4		1	1	1	1	1	1	1	1	
* Annual and Adjustment Budget and all Budget related Policies				100%	100%	100%	100%	100%	100%	100%	100%	Busy with review of SCM after the new regulations was received on the 7th December 2011
* Budget related policies				100%	100%	100%	100%	100%	100%	100%	100%	
* Annual Report				50%	50%	75%	75%	100%	100%	25%	25%	
* Section 57 Reports								100%	40%	100%	40%	
* Long Term borrowing contracts				100%	100%	100%	100%	100%	100%	100%	100%	
* Supply Chain Contracts				100%	100%	100%	100%	100%	100%	100%	100%	
* Service Delivery Agreements				100%	100%	100%	100%	100%	100%	100%	100%	
2. Vote: Training												
Staff Wellness	No. of assistance rendered	All		100%	100%	100%	100%	100%	100%	100%	100%	
Work creation	No. of temp jobs created	5		5	5	6	6	5	6	5	7	
3. Vote: Planning and Development												
Skills Development	Skills Plan completion	100%		25%	40%	50%	45%	75%	75%	100%	100%	
	Implementation of Skills Plan	75%		25%	40%	45%	75%	65%	80%	75%	80%	
	Skills Training Plan	40%		25%	55%	50%	60%	75%	80%	100%	85%	
4. Employment Equity Plan	Employment Equity Plan completion	100%		75%	80%	100%	40%	25%	25%	50%	50%	
uPhongolo Library	Management	All		25%	25%	50%	50%	70%	80%	100%	100%	
	Projects and exhibits	4		1	2	1	1	1	2	1	4	
5. Ncotshane Library	Management	All		25%	25%	50%	50%	70%	100%	100%	100%	
	Projects and exhibits	4		1	2	1	1	2	2	1	4	
	IT Training by Cyber Cadet to			60	60	60	60	60	50	60	60	
6. Tourism	Management	All		25%	25%	50%	50%	70%	80%	100%	100%	
	Projects	4		1	2	1	1	1	1	1	2	
	Business Plan	100%		25%	25%	50%	50%	75%	75%	100%	100%	
7. Vote: By-laws	Building Regulations By-Laws	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Environmental By-Laws	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Fences Management By-Laws	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Fleet Management By-Laws	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Municipal Building By-Laws	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Municipal Land By-Laws	All		25%	5%	50%	5%	75%	5%	100%	5%	

CORPORATE SERVICES DEPARTMENT – CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
Vote/Indicator	Unit of Measurement	Annual Target	Revised Target	Quarterly Targets								Explanation of Variance
				Quarter Ending June		Quarter Ending September		Quarter Ending December		Quarter Ending March		
				Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	
Department - Corporate Services												
7. Vote: By-Laws Continue												
	Peace Initiative By-Laws	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Property Encroachment By-Laws	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Sewer and Draining By-Laws	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Storm water Management By-Laws	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Water By-Laws	All		25%	5%	50%	90%	75%	90%	100%	5%	
	Electricity Supply By-Laws	All		25%	5%	50%	90%	75%	90%	100%	5%	
	Fire Prevention By-Laws	All		25%	5%	50%	90%	75%	90%	100%	5%	
	Occupational Health and Safety By-Laws	All		25%	5%	50%	90%	75%	90%	100%	95%	Policies to be adopted by Council during first quarter of 2012/2013
	Parks and Open Spaces By-Laws	All		25%	5%	50%	90%	75%	90%	100%	95%	Policies to be adopted by Council during first quarter of 2012/2013
	Sidewalk Hawkers & Street Trading By-Laws	All		25%	5%	50%	90%	75%	90%	100%	95%	Policies to be adopted by Council during first quarter of 2012/2013
	Wast Management By-Laws	All		25%	5%	50%	90%	75%	90%	100%	95%	Policies to be adopted by Council during first quarter of 2012/2013
8. Vote: Policies												
NEW POLICIES												
	Chronic Illness Policy	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Confidentiality Policy	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Leave Aid Policy	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Unpaid Leave Policy	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Private Work Policy	All		25%	5%	50%	90%	75%	90%	100%	5%	
	Staff Statement to the Media Policy	All		25%	5%	50%	5%	75%	5%	100%	5%	
	Occupational Health and Safety Policy	All		25%	5%	50%	90%	75%	90%	100%	95%	Policies to be adopted by Council during first quarter of 2012/2013
	Uniform and Protective Clothing Policy	All		25%	5%	50%	5%	90%	5%	100%	5%	
	Whistle Blowing Policy	All		25%	5%	50%	5%	75%	5%	100%	5%	
	IT Security Policy	All		100%	100%	100%	100%	100%	100%	100%	100%	
ADDITIONAL POLICIES DEVELOPED												
	Nepotism Policy	All		25%	5%	50%	90%	75%	90%	100%	95%	Policies to be adopted by Council during first quarter of 2012/2013
	Records Management Policy	All		25%	5%	50%	90%	75%	90%	100%	95%	Policies to be adopted by Council during first quarter of 2012/2013
	Skills and Competecy Policy	All		25%	5%	50%	90%	75%	90%	100%	95%	Policies to be adopted by Council during first quarter of 2012/2013
	Staff Geevance and Dispute Resolution Policy	All		25%	5%	50%	90%	75%	90%	100%	95%	Policies to be adopted by Council during first quarter of 2012/2013
	Work Retention and Strategy Plan Policy	All		25%	5%	50%	90%	75%	90%	100%	95%	Policies to be adopted by Council during first quarter of 2012/2013
	Work related functions and events policy	All		25%	5%	50%	90%	75%	90%	100%	95%	Policies to be adopted by Council during first quarter of 2012/2013
	Youth policy	All		25%	5%	50%	90%	75%	90%	100%	95%	Policies to be adopted by Council during first quarter of 2012/2013
9. Vote: Communications												
	External Newsletter	Community	4	1	0	1	1	1	1	1	1	
	Internal News Letters	Community	8	2	0	2	1	2	1	2	1	Work performance of Communications Officer to be reviewed since targets set are not met.
	Communications Plan											
10. Vote: Human Resources												
	Staff	Management	100%	25%	25%	50%	50%	75%	75%	100%	100%	
	Service Providers	Management	100%	25%	25%	50%	50%	75%	75%	100%	100%	
	Training / Induction Mannual		100%	25%	10%	50%	30%	75%	30%	100%	40%	Busy with Drafting of the induction Manual
11. Vote: Archives												
	Management	Implementation	100%	25%	25%	70%	45%	100%	45%	100%	45%	in the process of obtaining quotations for off site storage of Archive Material.
		Management	All	100%	100%	100%	100%	100%	100%	100%	100%	
		Legislation	100%	100%	100%	100%	100%	100%	100%	100%	100%	
12. Vote: Post and Faxing												
	Incomming post and fax	All		100%	100%	100%	100%	100%	100%	100%	100%	
	Outgoing posts and fax	All		100%	100%	100%	100%	100%	100%	100%	100%	

CORPORATE SERVICES DEPARTMENT - CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
								Quarterly Targets				
Vote/Indicator	Unit of Measurement	Annual	Revised	Quarter Ending		Quarter Ending		Quarter Ending		Quarter Ending		Explanation of Variance
		Target	Target	September		December		March		June		
				Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	
Department - Corporate Services												
13. Vote: Rental agreements												
	Agreements	All		100%	95%	100%	100%	100%	100%	100%	100%	
14. Vote: IT												
	Security Implemetation	All		100%	100%	100%	100%	100%	100%	100%	100%	
	Upgrade of Soft and Hardware	All		100%	100%	100%	100%	100%	100%	100%	100%	
	Licencing of antivirus and firewall	All		100%	100%	100%	100%	100%	100%	100%	100%	
	IT Strategic Plan	100%		25%	25%	50%	50%	75%	75%	100%	100%	
	Computer Equipment R25 000.00	100%		25%	25%	50%	50%	75%	75%	100%	100%	
	Security Access Control R300 000.	100%		50%	75%	75%	80%	100%	100%	100%	100%	
	2 Laptops R40 000.00	100%		100%	100%	100%	100%	100%	100%	100%	100%	
	Computers for the Library R40 000.00	100%		25%	20%	50%	70%	75%	75%	100%	100%	

FINANCIAL SERVICES DEPARTMENT

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
		Quarterly Targets										
		Annual	Revised	Quarter Ending		Quarter Ending		Quarter Ending		Quarter Ending		
		Target	Target	September		December		March		June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Department - Financial Services												
1. Vote: Finance & Administration												
	Council	4		1	4	1	3	1		1		
	Exco	12		3	4	3	4	3		3		
	Manco	23		6	6	6	6	6		5		
	MAP	12		3	3	3	2	3		3		
	Financial Meeting	12		3	0	3	1	3		3		
1.1 Budget and Management Accounts												
Compilation of financial statements in terms of MFMA	Submitted to Auditor - General by 31 August 2011	1		1	1							
Time schedule of key deadlines for 2012/2012 budget	Submitted in August 2012	1		1	1							
Expenditure Statements	No. of Statements	12		3	3	3	3	3		3		
Consolidate and prepare proposed 2012/2012 budget	Started in August 2011	1		1	1							
6 monthly budget statements	Tabled in January 2012	1						1				
Adjustment budget for 2011/2012	Tabled in January 2012	1						1				
Budget related policies	Finalised in February	1						1				
Draft 2012/2012 budget	Tabled in March 2012	1						1				
Draft S D B I P for 2012/2012	Tabled in March 2012	1						1				
Primary banking account detail to												
Provincial Treasury and Auditor-General	Forwarded in March 2012	1						1				
Draft 2012/2012 budget to National Treasury (3 Copies)	Forwarded in April 2012	1								1		
Draft 2012/2012 budget to Provincial Treasury (1 Copy)	Completed and mailed in April 2012	1								1		
Appendix A completed and sent to PT and NT	Completed and mailed in April 2012	1								1		
		1								1		
Final 2012/2012 budget to National Treasury	Forwarded in June 2012	1								1		
S D B I P for 2012/2012	Approved in June 2012	1								1		
Received and respond to Audut Report	Responded in January 2012	1						1				
Departmental meetings	Monthly meetings (Minutes)	12		3	2	3	1	3		3		
Full Compliance with Chapter 11 of MFMA	Compliance with Chapter 11	100		100	100	100	100	100		100		
1.2 Revenue												
Monitor the implementation of credit control and indigent policies	Reporting monthly to MM	12		3	2	3	2	3		3		
Monitor debt collection targets	Reporting monthly to MM	12		3	2	3	2	3		3		
Consumer Accounts	Monthly	12		3	3	3	3	3		3		
Revenue Projections	Schedules & Reports	4		1	1	1	1	1		1		
Maintenance Valuation Roll	Monthly Interims	12		3	3	3	3	3		3		
Reconciliations	Debtors	All		100%	80%	100%	80%	100%		100%		
Reconciliations	Erven	All		100%	80%	100%	80%	100%		100%		
Bank reconciliations	Monthly	12		100%	90%	100%	100%	100%		100%		
1.3 Indigent relief												
Policy		All		100%	100%	100%	100%	100%		100%		
Management		All		100%	100%	100%	100%	100%		100%		
Allocations		All		100%	80%	100%	80%	100%		100%		
1.4 Expenditure												
VAT	Management	All			90%		90%	100%		100%		
DoRA reports on all grants received	Submitted Monthly	100%			80%		90%	100%		100%		

FINANCIAL SERVICES DEPARTMENT – CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
		Quarterly Targets										
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Department - Financial Services												
SCM reports in accordance with regulations, policy and procedures	Submitted Quarterly	All		100%	100%	100%	100%	100%		100%		
Payroll is completed timeously and accurately	Completed within 7 working days of the end of the month	100%		100%	90%	100%	100%	100%		100%		
Payment of creditors on time in terms of Section 65 of MFMA	No. of creditors paid on time	4		1	1	1	1	1		1		
Investment of surplus cash	Ongoing	100%		100%	100%	100%	100%	100%		100%		
Shortterm insurance	Policy received, premium paid monthly	12		3	3							
Monitoring of Expenditure & cash flow position on regular basis	Submitted Monthly	100%		100%	100%			100%		100%		
2. Budget Treasury Office												
Time schedule of key deadlines for 2012/2012 budget	Submitted in August 2012	100%		100%	100%	100%	100%	100%		100%		
Consolidate and prepare proposed 2012/2012 budget												
6 monthly budget statements	Tabled in January 2012	All				100%	100%	100%		100%		
Adjustment budget for 2011/2012	Tabled in January 2012											
Budget related policies	Finalised in February	All						100%		100%		
Draft 2012/2012 budget	Tabled in March 2012											
Draft S D B I P for 2012/2012	Tabled in March 2012	All						100%		100%		
Draft 2012/2012 budget to National Treasury (3 Copies)	Forwarded in April 2012											
Draft 2012/2012 budget to Provincial Treasury (1 Copy)	Completed and mailed in April 2012	All						100%		100%		
Appendix A completed and sent to PT and NT	Completed and mailed in April 2012	All						100%		100%		
Final 2012/2012 budget to National Treasury	Forwarded in June 2012	12						3		3		
S D B I P for 2012/2012	Approved in June 2012	All								100%		
3. Website												
The annual and adjustment budgets and all budget-related documents:		All		100%	100%	100%	100%	100%		100%		
All Budget-related policies		All		100%	100%	100%	100%	100%		100%		
All service delivery agreements		All		100%	100%	100%	100%	100%		100%		
All Long Term Borrowing contracts		All		100%	100%	100%	100%	100%		100%		
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14(2) or (4) during the previous quarter;		All		100%	100%	100%	100%	100%		100%		
Contracts to which subsection (1) of section 33 apply, subject to subsection (3) of that section;		100%		100%	100%	100%	100%	100%		100%		
Public-private partnership agreements referred to in sec 120		100%		100%	100%	100%	100%	100%		100%		
All quarterly reports tabled in the council in terms of sec 52 (b)		100%		100%	100%	100%	100%	100%		100%		
4. Interns												
Control of Financial Management Grant		100%		100%	90%	100%	100%	100%		100%		
Mentor and manage the Intern program of Council		100%		100%	90%	100%	100%	100%		100%		
5. Vote: policies												
Management		All		100%	80%		80%	100%		100%		
Development of Financial Policies				100%	80%		80%					
6. Vote: By-laws												
Management		All		100%	90%		90%	100%		100%		
Development of Financial By-Laws				100%	90%		90%					
7. Vote: Lease agreements												
Management					100%		100%					
Councils Property		All			100%		100%	100%		100%		
8. Vote: Financial system												
Management		All			100%		100%	100%		100%		
ABACUS releases		12			1		0	3		3		
PAYDAY releases		All			100%		100%			100%		
Update monthly		All			100%		100%	100%		100%		
								100%		100%		
Manual register												
Inventories		All		100%	100%		100%	100%		100%		

FINANCIAL SERVICES DEPARTMENT - CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
		Quarterly Targets										
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Department - Financial Services												
9. Vote: Financial institutions												
	Management	All		100%	100%	100%	100%	100%		100%		
10. Vote: Equity fund administration												
	Management											
11. Assets												
Safeguard Council's Assets and all assets to be recorded and tagged		100%		100%	95%	100%	95%	100%		100%		
	Inventories	100%		100%	95%	100%	95%	100%		100%		
	Labeling	100%		100%	95%	100%	95%	100%		100%		
	Electronic Asset Register to be kept and updated	100%		100%	100%	100%	100%	100%		100%		
All Assets to be insured												
	Insurance Claims - monthly reports	100%		100%	100%	100%	100%	100%		100%		
12. Sale of Erven												
Sale of erven to comply with Land Disposal Policy and relevant Legislation												
	Applications	100%		100%	100%	100%	100%	100%		100%		
	Land Disposal Policy	100%		100%	100%	100%	100%	100%		100%		
	Files Correspondence	100%		100%	100%	100%	100%	100%		100%		
13. Insurance	Insurance Claims	100%		100%	100%	100%	100%	100%		100%		
Insurance Claims to be regularly done	Monthly Management	100%		100%	100%	100%	100%	100%		100%		
Ensure that all assets are insured		100%		100%	100%	100%	100%	100%		100%		
Process Premium Payments		100%		100%	100%	100%	100%	100%		100%		
14. Supply Chain Manager												
Compliance with SCM Policy & Chapter 11 of MFMA	Monthly reports and management	100%		100%	100%	100%	100%	100%		100%		
Tenders to be timeously called for prior to expiry date of contracts	Monthly reports and management	100%		100%	90%	100%	100%	100%		100%		
Reporting on awarding of Tenders over R100 000.00 to National Treasury and Provincial Treasury within 15 days		100%		100%	100%	100%	100%	100%		100%		
Placing on Website to whom Tenders were awarded to		100%		100%	100%	100%	100%	100%		100%		

COMMUNITY SERVICES DEPARTMENT

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Department - Community Services												
Section 57 Appointment		100										
1. Vote: Finance & Administration	Council	4		1	2	1	1	1	5	1	8	
	Exco	12		3	3	3	3	3	6	3	6	
	Manco	20		6	6	6	6	6	4	5	3	
	MAP	12		3	1	3	3	3	0	3	0	
	Refuse Contractors	4		1	1	1	1	1		1		
	Justice	12		3	3	3	3	3		3		
1.1 Administration												
Compilation Agenda & Minutes	No. of Agendas and Minutes											
	Social Development	6		2	0	2	1	2				
	Housing	6		2	0	2	1	2				
	Youth and Sport	20		10	10	10	6					
	Traffic											
	Licence											
Enquiries and complaints	No. of replies	100%		100%	100%	100%	100%	100%		100%		
Draft 2011/2012 budget	Submit in November 2011	1				1	1					
Draft S D B I P	Submit in February 2012	1						1				
Quarterley Projections												
Performance Management System	PMS monthly	43		43	51	43	51	43		43		
	Performance Management	1										
	Risk Assessment	1										
	Annual report	1										
Assets register	Inventories	All		100%	100%	100%	100%	100%		100%		
2. Vote: Community and Social Services												
Sports / Activities	No. of events	12		3	3	3	3	3		3		
Cultural Development	No. of events	9		3	3	3	3	3				
Staff Wellness	No. of assistance rendered	10										
Youth Activities / Other programs	No. of programmes	12		3	3	3	3	3		3		
Community gardens (re-evaluation)	No. of gardens	20		5	0	5		5		5	LED	
Community Liaison	Community	100%		25%	25%	50%	40%	75%		100%		
3. Vote: Community and Social Services												
4. Vote: Housing												
Housing Officer												
Housing Plan	Implementatio of Housing Plan	1		25%	25%	35%	25%	60%		80%	s needed from Councillors	
Housing Scheme -	Infrastructure completed	100%		25%	25%	50%	80%	75%		100%		
Greenfields	850 Houses	80%		20%	20%	40%	40%	60%		80%		
Administration	New Development	60%		15%	15%	15%	20%	15%		15%		

COMMUNITY SERVICES DEPARTMENT - CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
		Annual	Revised	Quarter Ending		Quarter Ending		Quarter Ending		Quarter Ending		
		Target	Target	September		December		March		June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Department - Community Services												
5. TOWNSHIP REGISTER												
Ncotshane												
Establishment of Ncotshane Township Register	Legislation	80%		20%	20%	20%	20%	20%		20%		Funds to be made available
6. Sport and Recreation												
Management	Legislation	All		20%	20%	30%	20%	30%		30%		
Public Awareness	Legislation	All		100%	100%	100%	100%	100%		100%		
Business Plan Implementation		100%		25%	45%	25%	45%	25%		25%		
7. Youth Council												
Awareness Campaigns	Legislation	All		100%	100%	100%	100%	100%		100%		
12. Vote: Refuse Removal												
Service Provider												
Refuse bins	Deliver by March 2012	3000								3000		
Operational												
- Belgrade	Management/Removal	All		100%	100%	100%	100%	100%		100%		
- Golella	Management/Removal	All		100%	60%	100%	60%	100%		100%		Cleaning is done
- Itchelejuba	Management/Removal	All		100%	100%	100%	100%	100%		100%		
- Illovo	Management/Removal	All		100%	100%	100%	100%	100%		100%		
- Ncotshane	Management/Removal	All		100%	100%	100%	100%	100%		100%		
- Pongola	Management/Removal	All		100%	100%	100%	100%	100%		100%		
Refuse dump	Master Plan	1		1	1	1	1	1		1		
Operational	Management	100%		100%	100%	100%	100%	100%		100%		

PROTECTION SERVICES DEPARTMENT

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
		Quarterly Targets										
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Department - Community Services												
(Manager: Protection Services)												
Assitant Manager Protection Service												
1.Vote: Finance & Admin (Protection Services)												
Enquiries and complaints	No. of replies	all		100%	100%	100%	100%	100%		100%		
Draft 2011/2012 budget	Submit in November 2012	1		1	1	1	1	1		1		
Assets register	Inventories	All		100%	100%	100%	100%	100%		100%		
2.Vote: Public Safety												
2.1 Traffic												
Road Safety Projects	No. of projects	4		1	1	1	1	1		1		
Road Signs		all		100%	100%	100%	100%	100%		100%		
Road Markings	Roads	all		100%	75%	100%	100%	100%		100%		
Furniture R10 000.00												
2.2 Fire Fighting/Disaster Management												
Prevention	No. of reactions to calls	all		100%	100%	100%	100%	100%		100%		
Fire Hydrants R200 000.00		100%		25%	25%	50%	50%	75%		100%		
Disaster Thick Shelter R50 000.00		100%		25%	0%	50%	0%	75%		100%		
3.Vote: Road Transport												
3.1 Testing Grounds												
Examination of vehicles	No. of vehicles	5000										
Motor Registrations & Licensing :	Units of one hundred	2000					2235		2413		2349	
Driver's Licences: Bookings	No. of bookings	2500		625	506	625	470	625	489	625	464	
Passed	No. of passes	1200		300	252	300	171	300	263	300	270	
Learner's Licences: Bookings	No. of bookings	1500		375	512	375	437	375	534	375	517	
Passed	No. of passes	1000		250	205	250	172	250	202	250	162	
Trade Licences	Management	All		100%	0%	100%	0%	100%	0	100%	0	
Roadworthy/Certificates	No. of bookings	400		100	161	100	452	100	446	100	410	
Passed	No. of passes	350		88	378	88	339	88	379	88	365	
Instructors	Certificates	5		2	0	1	0	1	0	1	0	
Public Driver Permits	Management	800		200	463	200	247	200	259	200	192	
Information	Enquiries	100		25	205	25		25	265	25	362	
Traffic	Management	All		100%	0%	100%		100%		100%		
Court	Court fines	1000		250	0	250	1127	250		250		
Driver's Licences: Cards issued		1000		250	252	250	2 028	250	263	250	270	
Temporary Driver's Licences		1000		250	443	250		250	410	250	364	
Hawker's Licences		1000		250	-	250		250	36	250	158	
Fencing R90 000.00												
Extension of Licensing Office R200 000.00												

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
		Quarterly Targets										
		Annual	Revised	Quarter Ending		Quarter Ending		Quarter Ending		Quarter Ending		
		Target	Target	September		December		March		June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
4. Vote: Pound												
Management	Legislation	All		100%	0%	100%	0	100%		100%		
Public Awareness	Legislation	All		100%	0%	100%	0%	100%		100%		
5. MPCC Office												
Management	Legislation	All		100%	100%	100%	100%	100%		100%		
Project	Legislation	All		100%	100%	100%	100%	100%		100%		
6. Security Services												
Management	Legislation	All		100%	100%	100%	100%	100%		100%		
Safety	Legislation	All		100%	100%	100%	100%	100%		100%		
7. Health and Safety												
Cleanest Town Inspection	Legislation	All		100%	100%	100%	100%	100%		100%		
Health Inspection of Businesses and Residents	Legislation	All		100%	100%	100%	100%	100%		100%		
8. Provision of Alternative Energy												
Supply of Alternative Energy to 906	Tender	906		906	1105	906	1105	906		906		
Indigent Households												

TECHNICAL SERVICES DEPARTMENT

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
1. Department - Technical Services												
Section 57 Appointment	30-Jun-11	1		1	1	1	1	1		1		
Substitute Engineer												
Technical Secretary		1		1	1	1	1	1		1		
1.1 Vote: Finance & Administration												
	Council	4		1	2	1	1	1	5	1	8	
	Exco	12		3	3	3	2	3	6	3	6	
	Manco	23		6	6	6	3	6	4	5	3	
	MAP	12		3	0	3	0	3	0	3	0	
	Technical	12		3	0	3	1	3		3		
	Sub Region Engineering Meeting	3		1	0	0	0	1		1		
	Grasscutting Contractors	4		1	1	1	1	1		1		
	Garden Refuse Management											
Enquiries and complaints	No. of replies	100		100	100%	100	100%	100	95%	100	95	
Draft 2011/2012 budget	Submit in November 2011	1				1	1			-		
Admin	Correspondence	All		100%	100%	100%	100%	100%	100%	100%	100%	
	Filing	All		100%	100%	100%	100%	100%	80%	100%	80%	
	Vehicle Licence Renewal	all		100%	100%	100%	100%	100%		100%		
	Timesheets	All		100%	100%	100%	100%	100%	100%	100%	100%	
	Contracts - Temp	All		100%	100%	100%	100%	100%	100%	100%	100%	
	PMS - Staff	All		100%	100%	100%	100%	100%		100%		
	Performance Management - section 57	dec				100%	40%	100%	0%	100%	0%	
	Annual Report	30-Jun								100%		
	Risk Assessment	01-Jul		100%	100%					100%	0%	
Legislation	Municipal Systems Act	All		100%	98%	100%	90%	100%	90%	100%	90%	
	municipal Structures Act	All		100%	98%	100%	90%	100%	90%	100%	90%	
	MFMA	All		100%	98%	100%	98%	100%	98%	100%	98%	
	Supply Chain Management	All		100%	98%	100%	98%	100%	98%	100%	98%	
	National Building Regulation	All		100%	98%	100%	98%	100%	98%	100%	98%	
	Town Planning	All		100%	98%	100%	98%	100%	98%	100%	98%	
	Domestic Policies	All		100%	98%	100%	98%	100%	98%	100%	98%	
Assets register	Inventories	All		100%	100%	100%	100%	100%	100%	100%	100%	

TECHNICAL SERVICES DEPARTMENT - CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
2. Vote: PMU Manager												
2.1 Vote: Fiannce and admistration												
MIG Meeting		12		3	3	3	3	3	3	3	3	
Departmental Meeting				3	3	3	3	3	3	3	3	
Consultant Engineers meeting				3	3	3	3	3	3	3	3	
Central Governance Meetings												
Projects	Capital	All		100%	68%	100%	100%	100%	100%	100%	100%	
Business Plans	Capital	All		100%	100%	100%	100%	100%	100%	100%	100%	
- Pongola Ext 4 Roads	Capital	All		100%	100%	100%	94%	100%	100%	100%	100%	
	Capital	All		100%	100%	100%	94%	100%	100%	100%	100%	
	Capital	All		100%	100%	100%	94%	100%	100%	100%	100%	
- Ncotshane Storm Water - AFA	Capital	All		100%	100%	100%	100%	100%	100%	100%	100%	
	Capital	All		100%	100%	100%	100%	100%	100%	100%	100%	
	Capital	All		100%	100%	100%	100%	100%	100%	100%	100%	
Administration	Management	All		100%	100%	100%	100%	100%	100%	100%	100%	
	MIG meeting	All		100%	100%	100%	100%	100%	100%	100%	100%	
	Monthly meeting	12		3	3	3	3	3	3	3	3	
	Direct Staff	All										
	MIG Grant Filing	All		100%	1	100%	100%	100%	100	100%	100	
Access Roads & Related Storm Water in Wards 1,3,4,5,6,7,8.&9	Capital											
Ncotshane RDP Housing - Bulk Stormwater Infrastructure	Project	All		100%	100%	100%	100%	100%	100	100%	100	
PNG New Roads and Stormwater, Ext 4	Project	All		100%	100%	100%	100%	100%	100	100%	100	
PMU management	Management	All		100%	100%	100%	100%	100%	100	100%	100	
PMU counterfunding	Funds	All		100%	100%	100%	100%	100%	100	100%	100	
Financial Reporting												
- Emma	Reporting	All		100%	100%	100%	100%	100%	100%	100%	100%	
- DORA	Reporting	All		100%	100%	100%	100%	100%	100%	100%	100%	
Assets register	Inventories	All		100%	100%	100%	100%	100%	100%	100%	100%	

TECHNICAL SERVICES DEPARTMENT – CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
3.1 Vote: Planning & Development												
Town Planner	Contractual appointment	1		1	1	1	1	1		1	4	
Junior Town Planner												
GIS Officer												
administration	Admin	All		100%	100%	100%	60%	100%	100%	100%	100%	
Town Planning Scheme	Scheme	All		100%	100%	100%	60%	100%	100%	100%	100%	
Town Planning Ordinance	Ordinance	All		100%	100%	100%		100%		100%		
Departmental Meeting	Meetings	12		3	3	3	3	3	2	3	2	no funding
uPhongolo land use Management Sustem	LUMS	All		100%	60%	100%	65%	100%	65%	100%	65%	
Land Sales on public auction - Rem 219	Sales	All		100%	0	100%	0%	100%		100%		
Land sales on public auction - Ext 4	Sales	All		100%	0%	100%	0%	100%		100%		
Planning and development of Ext 7	Development	All		100%	100%	100%	100%	100%	100%	100%	100%	
Develop Policy for Informal trading	Development	All		100%	100%	100%	90%	100%	100%	100%	100%	
Develop Policy for trading from Containers	Development	All		100%	100%	100%	90%	100%	100%	100%	100%	
Planning for upgrade of Sodwana Corridor	Planning	All		100%	0%	100%	0%	100%	0%	100%	0%	no funding
Application Management	Aplications	All		100%	100%	100%	100%	100%	100%	100%	100%	
Policy												
Soil Erosion management - DWAF	Management	All		100%		100%		100%		100%		
Eradication of Invader Plants - DWAF	Eradication	All		100%		100%		100%		100%		
Valuation roll preparation - Finance		All		100%	100%	100%		100%		100%		
Golela, Magudu land legal and formalization	Formalization	All		100%	100%	100%	25%	100%	25%	100%	25%	no funding
GIS System Operationalization and Integration		All		100%	50%	100%	50%	100%	50%	100%	50%	
Shared services GIS and Planning (ZDM)	Services											
Building relaxation	No	All		100%	100%	100%	0%	100%	60%	100%	60%	
Encroachments	No	All		100%	100%	100%	10%	100%	50%	100%	50%	
Subdivisions	No	All		100%	100%	100%	40%	100%	70%	100%	70%	
Rezoning	No	All		100%	100%	100%	10%	100%	70%	100%	70%	
4. Vote: Planning & Development												
G I S information capturing	No. of building inspections	300		75	33	75	11	75	105	75	105	
Update of Layout Plans												
Property inspections conducted	No. of property inspections	500		125		125	0	125	115	125	115	
G I S information capturing	No. of captures	200		50	50	50	50	50	50	50	50	
Advertisement Boards	Outsourced	All		100%		100%	50%	100%		100%		
	Administration	All		100%		100%	50%	100%	95%	100%	95%	
Town Planning Scheme	Legislation	3		100%	40%	100%	45%	100%	100%	100%	100%	

TECHNICAL SERVICES DEPARTMENT – CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
		Quarterly Targets										
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
5. Vote: IDP Funding and Management												
Draft Integrated Development Plan	Approved	100%	100%	100%	10%	100%	20%	100%	80%	100%	80%	
Final Integrated Development Plan	Approved	100%	100%	100%	10%	100%	20%	100%	50%	100%	50%	
GIS/data capture training	Training	All		100%	0%	100%	0%	100%		100%		
Building Inspector training	Training	All		100%	0%	100%	0%	100%		100%		
Internal Sewer Ncotshane Phase 7, 8 & 9 (housing)	Project	All		100%	0%	100%	0%	100%		100%		ZDM
Simdlangentsha East Water Supply Phase 1	Project	All		100%	0%	100%	0%	100%		100%		ZDM
Simdlangentsha Central Water Supply Phase 2	Project	All		100%	0%	100%	0%	100%		100%		ZDM
Simdlangentsha West Water Supply	Project	All		100%	10%	100%	15%	100%		100%		ZDM
Upgrading of Sewer & Water Plant Pongola & Nct	Project	All		100%	0%	100%	0%	100%		100%		ZDM
Ncotshane Pre-Payment Water System	Project	All		100%	0%	100%	0%	100%		100%		ZDM
Ncotshane Water Purification System Upgrade 1	Project	All		100%	0%	100%	0%	100%		100%		ZDM
Ncotshane Water Purification System Upgrade 2	Project	All		100%	0%	100%	0%	100%		100%		ZDM
Emergency Water Supply	Project	All		100%	0%	100%	0%	100%		100%		ZDM
Farmworker Access to water - develop approach												
Belgrade cemetery site development	Development	All		100%	60%	100%	65%	100%		100%		
Pongola memorial Wall	Project	All		100%	0%	100%	0%	100%		100%		
Ncotshane cemetery site development and Operation	Development	All		100%	60%	100%	60%	100%		100%		
Rehabilitation of N2	Project	All		100%	60%	100%	90%	100%		100%		
Pongola new Roads and Stormwater Ext 4	Project	All		100%	64%	100%	90%	100%		100%		
Landing Strip	Strip	All		100%	0%	100%	0%	100%		100%		
uPhongolo Access Roads & Stormwater Wards 1, 3, 4, 6, 7, 8, 9 design	Design	All		100%	100%	100%	100%	100%		100%		
uPhongolo Access Roads & Stormwater Wards 1, 3, 4, 6, 7, 8, 9 - Construction	Project	All		100%	80%	100%	40%	100%		100%		
DoT Road Maintenance projects	Project	All		100%	100%	100%		100%		100%		
Ulundi Nongoma Pongola Corridor	Project	All		100%	80%	100%		100%		100%		
Zululand District Land Reform Plan	Plan	All		100%		100%		100%		100%		
Tree Plantations Mondli												
uPhongolo Municipality LED Project - Ward Upliftment	Project	All		100%	100%	100%	40%	100%		100%		
	equipment			100%		100%	20%	100%		100%		
Pongola canning factory	Project	All		100%		100%	20%	100%		100%		
Establishment of LED Plan	Plan	All		100%		100%	20%	100%		100%		
Prepaid meters	Meters	All		100%		100%	15%	100%		100%		
Electricity Connection for 3000 households	Connection	All		100%	20%	100%	35%	100%		100%		
Eskom Pre-engineering - Pongola Group	Project	All		100%	30%	100%	35%	100%		100%		
DME - Oranjedaal	Project	All		100%	30%	100%	35%	100%		100%		
DME - Sibiyangenkomo	Project	All		100%	30%	100%	35%	100%		100%		
DME - Emanyandeni	Project	All		100%	30%	100%	35%	100%		100%		
DME - Mgwadlu	Project	All		100%	30%	100%	35%	100%		100%		
DME - Altona	Project	All		100%	30%	100%	35%	100%		100%		

TECHNICAL SERVICES DEPARTMENT - CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
Vote/Indicator	Unit of Measurement	Annual Target	Revised Target	Quarterly Targets								Explanation of Variance
				Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
				Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	
25. Vote: LED Projects												
Administration				100%	80%	100%	80%	100%	80%	100%	80%	
ward Upliftment				100%	50%	100%	50%	100%	50%	100%	50%	
LED Allocations												
Business Plans				100%	100%	100%	100%	100%	100%	100%	100%	
warehouse facilities												
records and control												
Social Development Meeting												
Local Community Improvement Grant	Project	1		100%	100%	100%	100%	100%	100%	100%	100%	
Establsihment of Local Service Providers Database (specifically PP Dam)	Project	1		100%	100%	100%	100%	100%	100%	100%	100%	
Training and Accreditation of Local Service Providers (specifically PP Dam)	Project	1		100%	100%	100%	100%	100%	100%	100%	100%	
Facilitate Filling Station Development at Belgrade Market Stall	Project	1		100%	100%	100%	100%	100%	100%	100%	100%	
DSWPD Community Based Projects	Project	1		100%	100%	100%	100%	100%	100%	100%	100%	
Ward upliftment									40%			
Assets												
Donations from ZDM												
LED Storage Warehouse R250 000.00	Project								0			
Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
Vote/Indicator	Unit of Measurement	Annual Target	Revised Target	Quarterly Targets								Explanation of Variance
				Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
				Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	
26. Vote: Electricity												
26.1 Vote: Administration												
Contractual appointment		All		100%	100%	100%	100%	100%	100%	100%	100%	
Electrician		All		100%	100%	100%	100%	100%	100%	100%	100%	
Maintenance workforce		All		100%	100%	100%	100%	100%	100%	100%	100%	
Administration		All		100%	100%	100%	100%	100%	100%	100%	100%	
By-Laws		All		100%	10%	100%	80%	100%	100%	100%	60%	
Meter enquiries		All		100%	90%	100%	90%	100%	95%	100%	100%	
Correspondance		All		100%	0%	100%	70%	100%	50%	100%	50%	
Cut Off Procedures		All		100%	90%	100%	90%	100%	90%	100%	100%	
Nersa		All		100%	0%	100%	80%	100%	80%	100%	0%	
EDI		All		100%	90%	100%	100%	100%	100%	100%	90%	
Update Network Plan		All		100%	0%	100%	80%	100%	90%	100%	20%	
New Connections		All		100%	80%	100%	100%	100%	100%	100%	80%	
-Pongola town		All		100%	80%	100%	100%	100%	100%	100%	80%	
- Industrial		All		100%	80%	100%	100%	100%	100%	100%	100%	
-Residential		All		100%	80%	100%	100%	100%	100%	100%	80%	
- Business		All		100%	80%	100%	100%	100%	95%	100%	100%	
Municipal Buildings												
-Airconditioning												
-Internal Network												
Ncotshane Admin Work R80 000.00												
(Electricity distribution)												
Meters	Operational Readings	All		100%	100%	100%	100%	100%	100%	100%	100%	
		All		100%	100%	100%	100%	100%	100%	100%	100%	
26.2 STREETLIGHTS												
uPhongolo (poles, cables & structures)	As per required project	All		100%	60%	100%	80%	100%	90%	100%	90%	
Ncotshane (poles, cables & structures)	As per required project	All		100%	50%	100%	60%	100%	60%	100%	60%	
uPhongolo	As per required project	200		50%		50%	70%	50%	80%	50%	80%	
Ncotshane	As per required project	16 mass		4	0	4	1	4	1	4	1	
Belgrade	As per required project	6 mass		1	0	2	2	2	0	1	0	
26.3 HV EQUIPMENT												
HV surge arrestor to install	As per required project	All		100%	100%	100%	100%	100%	100%	100%	100%	
HV cross arms & fuse links	As per required project	All		100%	100%	100%	100%	100%	100%	100%	100%	
Refurbish HV equipment & upgrading	As per required project	All		100%	100%	100%	100%	100%	100%	100%	100%	
26.4 REPAIRS & MAINTENANCE												
SUBSTATION MAINTENANCE	AS PER ELECTR MAINT PLAN	All		100%	100%	100%	100%	100%	100%	100%	100%	
MINI SUBSTATION, TRANSFORMERS	"	48		12	2	12	8	12	14	12	14	
OVERHEAD LINE MAINT	"	All		100%	80%	100%	80%	100%	80%	100%	80%	
NETWORK	"	All		100%	100%	100%	100%	100%	100%	100%	100%	
ELECTRICAL METERS	"	All		100%	100%	100%	100%	100%	98%	100%	98%	5 meters faulty order new meter

TECHNICAL SERVICES DEPARTMENT - CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2011/2012												
								Quarterly Targets				
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
26.5 Capital Projects												
1) 11kva Electrical Network, Extension 4, Pongola	R 2,800,000.00	PROJECT		100%	20%	100%	20%	100%	40%	100%	50%	
2) 11kva Electrical Network, Extension 7, Pongola	R 1,100,000.00	PROJECT		100%	0%	100%	0%	100%		100%	100%	
3) Ring Feed Connection Residential Area	R 950,000.00	PROJECT		100%	0%	100%	0%	100%	0%	100%	0%	
4) Re-routing of Overhead Lines, Industrial Area	R 350,000.00	PROJECT		100%	0%	100%	0%	100%	30%	100%	0%	
5) Infrastructure, Business Area, Extension 4	R 1,800,000.00	PROJECT		100%	0%	100%	0%	100%	0%	100%	0%	
6) Infrastructure, Industrial Area, Extension 1	R 1,100,000.00	PROJECT		100%	0%	100%	0%	100%	0%	100%	0%	
7) Infrastructure, Residential Area, Extension 4	R 800,000.00	PROJECT		100%	20%	100%	20%	100%	30%	100%	30%	
8) Infrastructure, Low Cost Housing Connections	R 4,100,000.00	PROJECT		100%	0%	100%	0%	100%	0%	100%	0%	
9) Extension of Bulk Distribution, Rural Area	R 4,800,000.00	PROJECT		100%	0%	100%	0%	100%	0%	100%	0%	
10) Residential Connection, Magudu Area	R 4,700,000.00	PROJECT		100%	0%	100%	0%	100%	0%	100%	0%	
11) Cluster Household Connections	R 9,000,000.00	PROJECT		100%	0%	100%	20%	100%	40%	100%	65%	
12) Mast Lighting Intersections	R 850,000.00	PROJECT		100%	50%	100%	50%	100%	60%	100%	50%	
13) Upgrading, Electrical Network, Central Business Area	R 650,000.00	PROJECT		100%	60%	100%	80%	100%	100%	100%	80%	

4.9 SDBIP PROJECTIONS 2012/2013

OFFICE OF THE MAYOR AND MUNICIPAL MANAGER

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Department - Municipal Managers Office												
1. Vote: Executive and Council												
1. Mayoral Office												
Report on implementation of budget	Submit quarterly to Council	4		1		1		1		1		
Performance indicators in S D B I P	Made public in July 2012	1		1								
Performance agreements in S D B I P	Made public in July 2012	1		1								
Time schedule of key deadlines for budget and IDP process	Tabled in August 2012	1		1								
Mid year performance assessment report	Tabled in January 2013	1						1				
Adjustments budget	Tabled in January 2013	1						1				
Annual report	Tabled in January 2013	1						1				
Draft budget, revisions to IDP, resolutions and other related documents	Tabled in March 2013	1						1				
Issues raised in Auditors-General report	Addressed in March 2013	1						1				
Consultation on draft budget	No. of meetings in April 2013	3								3		
Responds to submissions of community	Amends budget in May 2013	1								1		
Service Delivery and Budget Implementation Plan	Approve in June 2013	1								1		
Grants in aid		All		100%		100%		100%		100%		
2. Capital Budget												
3. Municipal Manager												
Monthly expenditure statements to Mayor	No. of statements	12		3		3		3		3		
Monthly expenditure statements and mid year budget and performance assessment	Consolidate in July 2013	1		1								
Consolidated report of withdrawals	Table quarterly	4		1		1		1		1		
Report to Council on the expenditure incurred on staff salaries, wages, allowances and benefits	Submit quarterly to Council	4		1		1		1		1		
Time schedule of key deadlines for budget and IDP process	Made public in July 2012	1		1								
Annual financial statements to Auditor-General	Submit end of August 2012	1		1								
Submit performance information to Auditor-General	Submit end of August 2012											
IDP consultation processes	Start in August 2012	3		2		1						
Internal Strategic Consultation processes	Begin in September 2012	6				3		3				
Engages with national and provincial sector depts on sector spesific programmes for alignment with IDP	Begin in September 2012	4				4						
Impact of different service delivery levels on rates and tariffs	Inform community in Oct 2012	1				1						
National policies, budget plans and potential price increases of bulk resources	Review with dept heads in Oct 12	1				1						
Changes to the IDP for incorporation into IDP review	Review in November 2012	1				1						
Mid year performance assessment report to Mayor, N T and P T	Submit in January 2013	1						1				
Annual report	Made public in January 2013	1						1				
Annual report to AG, PT and D T & L G	Submit in January 2013	1						1				
National and Provincial allocations	Review in January 2013	1						1				

OFFICE OF THE MAYOR AND MUNICIPAL MANAGER - CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
						Quarterly Targets						
		Annual	Revised	Quarter Ending		Quarter Ending		Quarter Ending		Quarter Ending		
		Target	Target	September		December		March		June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
<u>Municipal Manager (continues)</u>												
Draft budget and plans for next 3 years to Mayor	Submit in February 2013	1						1				
Oversight report of annual report	Made public in April 2013	1						1				
Draft budget, plans and proposed revisions to IDP	Publish in March 2013	1						1				
Approved budget and budget related policies	Publish in June 2013	1								1		
Draft SDBIP and annual performance agreements to Mayor	Submit in June 2013	1								1		
Approved SDBIP to National Treasury	Submit in June 2013	1								1		
Declaration of interest	Management	All		100%		100%		100%		100%		
Appointment of Supply Chain Management Officials	Appointment letters in Dec 2012	1		1								
4. Vote: Administration												
Correspondence received	Management/reply	All		100%		100%		100%		100%		
Executive resolutions	Management	All		100%		100%		100%		100%		
5. Capital Budget Projects												
Extention of Main Boardroom R2 900 000.00 as per Council resolution comply with ledgislation to obtain a Long Term Loan and prepare tenders will continue in 2012/13	Completed June 2013	100%		40%		60%		80%		100%		
Ward Upliftment Project R500 000.00 - July 2012 - June 2013	Completed June 2013	100%		25%		50%		75%		100%		

CORPORATE SERVICES DEPARTMENT

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013											
Vote/Indicator	Unit of Measurement	Annual Target	Revised Target	Quarterly Targets							
				Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June	
				Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Department - Corporate Services											
1. Vote: Finance & Administration	Council	4		1		1		1		1	
	Exco	11		3		2		3		3	
	Amakosi	4		1		1		1		1	
	Manco	18		5		3		5		5	
1.1 Administration											
Compilation Agenda & Minutes	No. of Agendas and Minutes HR/Labour Forum/Corporate Deptmeeting/Tourism/Skills Meeting	8		2		2		2		2	
Enquiries and complaints	No. of replies	100%		100%		100%		100%		100%	
Skills Development Plan	Submit report by June 2013	1								1	
Draft 2013/2014 budget	Submit in November 2012	1				1					
Draft 2013/2014 budget	Published in April 2013 & website	1								1	
Draft S D B I P	Submit in May 2013	1						1			
Approved 2013/2014 budget	Published in June 2013	1								1	
Performance agreements and S D B I P	Made public in July 2012	1		1							
Performance Management System 2012/2013	PMS Implemented by July 2013	1								1	
Assets register	Inventories	100%		100%		100%		100%		100%	
Annual Report 2011/2012	Draft 31 October 2012	2				1		1			
IDP input Corporate Service		1						1			
2. Vote: Training											
Work creation	No. of temp jobs created	8		8							
3. Vote: Planning and Development											
Skills Development	Skills Plan completion	100%		25%		50%		75%		100%	
	Implementation of Skills Plan	75%		100%		45%		65%		75%	
	Skills Training Plan	40%		10%		20%		30%		40%	
4. Employment Equity Plan	Employment Equity Plan completion	100%		75%		100%		75%		100%	
uPhongolo Library	Management	100%		100%		100%		100%		100%	
	Projects and exhibits	4		1		1		1		1	
5. Ncotshane Library	Management	100%		100%		100%		100%		100%	
	Projects and exhibits	4		1		1		1		1	
	IT Training by Cyber Cadet	240		60		60		60		60	
6. Tourism											
	Communities										
	Projects	6		1		2		2		1	
	Business Plan 2013/2014	1		1							

CORPORATE SERVICES DEPARTMENT

7. Vote: By-Laws drafted to be approved by Council		Fleet Management By-Laws	100%		100%						
		Housing By-Laws	100%		100%						
		Municipal Building By-Laws	100%		100%						
		Municipal Land By-Laws	100%		100%						
		Parks / Open spaces By-Laws	100%		100%						
		Peace Initiative By-Laws	100%		100%						
		Property Encroachment By-Laws	100%		100%						
		Road Management By-Laws	100%		100%						
		Safety and Health By-Laws	100%		100%						
		Sewer and Draining By-Laws	100%		100%						
		Storm water Management By-Laws	100%		100%						
		Waste Management By-Laws	100%		100%						
		Water By-Laws	100%		100%						
8. Vote: Policies											
New Policies drafted to be approved by Council											
		Chronic Illness Policy	100%		100%						
		Confidentiality Policy	100%		100%						
		Unpaid Leave Policy	100%		100%						
		Staff Statement to the Media Policy	100%		100%						
		Nepotism Policy	100%		100%						
		Uniform and Protective Clothing Policy	100%		100%						
		Whistle Blowing Policy	100%		100%						
		Induction Policy	100%		100%						
		Dispute Resolution Policy	100%		100%						
		Municipal Code	100%		100%						
New By-Laws to be drafted											
		Truck Stop By-Laws	100%		25%		50%		75%		100%
New Policies to be Drafted											
		Job Evaluation									
		Student Bursaries	All		25%		50%		75%		100%
		Intern Employment	All		25%		50%		75%		100%
9. Vote: Communications Plan		Business Plan 2013/2014	100%		25%		50%		75%		100%
		Newspapers External and Internal	8		2		2		2		2
10. Vote: Human Resources											
		Staff Management	100%		25%		50%		100%		100%
		Service Providers Management	100%		25%		50%		100%		100%
		Training / Induction Manual	100%		25%		50%		75%		100%
11. Vote: Archives											
		Implementation	100%		70%		100%		100%		100%
		Management	100%		100%		100%		100%		100%
		Legislation	100%		25%		50%		75%		100%
12. Vote: Post and Faxing											
		Incoming post and fax	100%		100%		100%		100%		100%
		Outgoing posts and fax	100%		100%		100%		100%		100%
13. Vote: Rental agreements											
		Agreements	100%		100%		100%		100%		100%
14. Vote: IT											
		Security Implementation	100%		100%		100%		100%		100%
		Upgrade of Soft and Hardware	100%		100%		100%		100%		100%
		Licensing of antivirus and firewall	100%		100%		100%		100%		100%
		IT Strategic Plan	100%		100%		100%		100%		100%
15. Capital Projects											
		Computer equipment and software update R685 000.00	100%		25%		50%		75%		100%
		Archives - of site storage R120 000.00	100%		25%		50%		75%		100%
		Chairs R12 000	100%		25%		50%		75%		100%
		Library Books R40 000.00	100%		25%		50%		75%		100%
		Computer equipment PMS Office R25 000	100%		25%		50%		75%		100%
		Furniture, Speaker, Mayor and Deputy Mayor and Secretary to Deputy Mayor R125 000.00	100%		25%		50%		75%		100%

FINANCIAL SERVICES DEPARTMENT

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013											
Vote/Indicator	Unit of Measurement	Annual Target	Revised Target	Quarterly Targets							
				Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June	
				Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Department - Financial Services											
1. Vote: Finance & Administration											
	Council	4		1		1		1		1	
	Exco	12		3		3		3		3	
	Manco	23		6		6		6		5	
	Financial Meeting	12		3		3		3		3	
1.1 Budget and Management Accounts											
Compilation of financial statements in terms of MFMA	Submitted to Auditor - General by 31 August 2012	1		1							
Time schedule of key deadlines for 2013/2014 budget	Submitted in August 2013	1		1							
Expenditure Statements	No. of Statements	12		3		3		3		3	
Consolidate and prepare proposed 2013/2014 budget	Started in August 2012	1		1							
6 monthly budget statements	Tabled in January 2013	1						1			
Adjustment budget for 2012/2013	Tabled in January 2013	1						1			
Budget related policies	Finalised in February 2013	1						1			
Draft 2013/2014 budget	Tabled in March 2013	1						1			
Draft S D B I P for 2013/2014	Tabled in March 2013	1						1			
Primary banking account detail to											
Provincial Treasury and Auditor-General	Forwarded in March 2013	1						1			
Draft 2013/2014 budget to National Treasury (3 Copies)	Forwarded in April 2013	1								1	
Draft 2013/2014 budget to Provincial Treasury (1 Copy)	Completed and mailed in April 2013	1								1	
Appendix A completed and sent to PT and NT	Completed and mailed in April 2013	1								1	
		1								1	
Final 2013/2014 budget to National Treasury	Forwarded in June 2013	1								1	
S D B I P for 2013/2014	Approved in June 2013	1								1	
Received and respond to Audut Report	Responded in January 2013	1						1			
Departmental meetings	Monthly meetings (Minutes)	12		3		3		3		3	
Full Compliance with Chapter 11 of MFMA	Compliance with Chapter 11	100		100		100		100		100	
1.2 Revenue											
Monitor the implementation of credit control and											
indigent policies	Reporting monthly to MM	12		3		3		3		3	
Monitor debt collection targets	Reporting monthly to MM	12		3		3		3		3	
Consumer Accounts	Monthly	12		3		3		3		3	
Revenue Projections	Schedules & Reports	4		1		1		1		1	
Maintenance Valuation Roll	Monthly Interims	12		3		3		3		3	
Reconciliations	Debtors	All		100%		100%		100%		100%	
Reconciliations	Erven	All		100%		100%		100%		100%	
Bank reconciliations	Monthly	12		100%		100%		100%		100%	
1.3 Indigent relief											
Policy		All		100%		100%		100%		100%	
Management		All		100%		100%		100%		100%	
Allocations		All		100%		100%		100%		100%	
1.4 Expenditure											
VAT	Management	All		100%		100%		100%		100%	
DoRA reports on all grants received	Submitted Monthly	Submitted Monthly		100%		100%		100%		100%	
MFMA	Submitted Monthly	Submitted Monthly		100%		100%		100%		100%	

FINANCIAL SERVICES DEPARTMENT CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013											
Vote/Indicator	Unit of Measurement	Annual Target	Revised Target	Quarterly Targets							
				Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June	
				Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Explanation of Variance											
Department - Financial Services											
SCM reports in accordance with regulations, policy and procedures	Submitted Quarterly	All		100%		100%		100%		100%	
Payroll is completed timeously and accurately	Completed within 7 working days of the end of the month	100%		100%		100%		100%		100%	
Payment of creditors on time in terms of Section 65 of MFMA	No. of creditors paid on time	12		3		3		3		3	
Investment of surplus cash	Ongoing	100%		100%		100%		100%		100%	
Shortterm insurance	Policy received, premium paid monthly	12		3		3		3		3	
Monitoring of Expenditure & cash flow position on regular basis	Submitted Monthly	100%		100%		100%		100%		100%	
2. Budget Treasury Office											
Time schedule of key deadlines for 2013/2014 budget	Submitted in August 2013	100%		100%		100%		100%		100%	
Consolidate and prepare proposed 2013/2014 budget											
6 monthly budget statements	Tabled in January 2013	All				100%		100%		100%	
Adjustment budget for 2012/2013	Tabled in January 2013	All				100%		100%		100%	
Budget related policies	Finalised in February 2013	All						100%		100%	
Draft 2013/2014 budget	Tabled in March 2013	All						100%		100%	
Draft S D B I P for 2013/2014	Tabled in March 2013	All						100%		100%	
Draft 2012/2012 budget to National Treasury (3 Copies)	Forwarded in April 2013	All						100%		100%	
Draft 2012/2012 budget to Provincial Treasury (1 Copy)	Completed and mailed in April 2013	All						100%		100%	
Appendix A completed and sent to PT and NT	Completed and mailed in April 2013	All						100%		100%	
Final 2013/2014 budget to National Treasury	Forwarded in June 2013	12		3		3		3		3	
S D B I P for 2013/2014	Approved in June 2013	All								100%	
3. Website											
The annual and adjustment budgets and all budget-related documents		All		100%		100%		100%		100%	
All Budget-related policies		All		100%		100%		100%		100%	
All service delivery agreements		All		100%		100%		100%		100%	
All Long Term Borrowing contracts		All		100%		100%		100%		100%	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14(2) or (4) during the previous quarter		All		100%		100%		100%		100%	
Contracts to which subsection (1) of section 33 apply, subject to subsection (3) of that section		100%		100%		100%		100%		100%	
Public-private partnership agreements referred to in sec 120		100%		100%		100%		100%		100%	
All quarterly reports tabled in the council in terms of sec 52 (b)		100%		100%		100%		100%		100%	
4. Interns											
Control of Financial Management Grant		100%		100%		100%		100%		100%	
Mentor and manage the Intern program of Council		100%		100%		100%		100%		100%	
5. Vote: policies											
Management		100%		100%		100%		100%		100%	
Development of Financial Policies		100%		100%		100%		100%		100%	
6. Vote: By-laws											
Management		100%		100%		100%		100%		100%	
Development of Financial By-Laws		100%		100%		100%		100%		100%	
7. Vote: Lease agreements											
Management											
Councils Property		All		100%		100%		100%		100%	
8. Vote: Financial system											
Management		All		100%		100%		100%		100%	
ABACUS releases		12		3		3		3		3	
PAYDAY releases		All		100%		100%		100%		100%	
Update monthly		All		100%		100%		100%		100%	
Manual register											
Inventories		All		100%		100%		100%		100%	

FINANCIAL SERVICES DEPARTMENT - CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
		Quarterly Targets										
		Annual Target	Revised Target	Quarter Ending September	Quarter Ending December	Quarter Ending March	Quarter Ending June					
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Department - Financial Services												
9. Vote: Financial institutions												
	Management	All		100%		100%		100%		100%		
10. Vote: Equity fund administration												
	Management	All		100%		100%		100%		100%		
11. Assets												
Safeguard Council's Assets and all assets to be recorded and tagged												
	Inventories	100%		100%		100%		100%		100%		
	Labeling	100%		100%		100%		100%		100%		
	Electronic Asset Register to be kept and updated	50%		50%		50%		50%		50%		
All Assets to be insured	Insurance Claims - monthly reports	100%		100%		100%		100%		100%		
12. Sale of Erven												
Sale of erven to comply with Land Disposal Policy and relevant Legislation												
	Applications	100%		100%		100%		100%		100%		
	Land Disposal Policy	100%		100%		100%		100%		100%		
	Files Correspondence	100%		100%		100%		100%		100%		
13. Insurance	Insurance Claims	100%		100%		100%		100%		100%		
Insurance Claims to be regularly done	Monthly Management	100%		100%		100%		100%		100%		
Ensure that all assets are insured		100%		100%		100%		100%		100%		
Process Premium Payments		100%		100%		100%		100%		100%		
14. Supply Chain Manager												
Compliance with SCM Policy & Chapter 11 of MFMA	Monthly reports and management	100%		100%		100%		100%		100%		
Tenders to be timeously called for prior to expiry date of contracts	Monthly reports and management	100%		100%		100%		100%		100%		
Reporting on awarding of Tenders over R100 000.00 to National Treasury and Provincial Treasury within 15 days		100%		100%		100%		100%		100%		
Placing on Website to whom Tenders were awarded to		100%		100%		100%		100%		100%		

COMMUNITY SERVICES DEPARTMENT

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
		Quarterly Targets										
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Department - Community Services												
Section 57 Appointment												
1. Vote: Finance & Administration	Council	4		1		1		1		1		
	Exco	12		3		3		3		3		
	Manco	20		6		6		6		5		
	MAP	12		3		3		3		3		
	Refuse Contractors	4		1		1		1		1		
	Justice	12		3		3		3		3		
1.1 Administration												
Compilation Agenda & Minutes	No. of Agendas and Minutes											
	Social Development	6		2		2		2				
	Housing	6		2		2		2				
	Youth and Sport	20		10		10						
	Traffic											
	Licence											
Enquiries and complaints	No. of replies	100%		100%		100%		100%		100%		
Draft 2011/2012 budget	Submit in November 2011	1				1						
Draft S D B I P	Submit in February 2012	1						1				
Quarterly Projections												
Performance Management System	PMS monthly	43		43		43		43		43		
	Performance Management	1										
	Risk Assessment	1										
	Annual report	1										
Assets register	Inventories	All		100%		100%		100%		100%		
2. Vote: Community and Social Services												
Sports / Activities	No. of events	12		3		3		3		3		
Cultural Development	No. of events	9		3		3		3				
Staff Wellness	No. of assistance rendered	10										
Youth Activities / Other programs	No. of programmes	12		3		3		3		3		
Community gardens (re-evaluation)	No. of gardens	20		5		5		5		5		
Community Liaison	Community	100%		25%		50%		75%		100%		
3. Vote: Community and Social Services												
4. Vote: Housing												
Housing Officer												
Housing Plan	Implementatio of Housing Plan	1		25%		35%		60%		80%		
Housing Scheme -	Infrastructure completed	100%		25%		50%		75%		100%		
Greenfields	850 Houses	80%		20%		40%		60%		80%		
Administration	New Development	60%		15%		15%		15%		15%		

COMMUNITY SERVICES DEPARTMENT – COTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
		Annual	Revised	Quarter Ending		Quarter Ending		Quarter Ending		Quarter Ending		
		Target	Target	September		December		March		June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
<u>Department - Community Services</u>												
<u>5. TOWNSHIP REGISTER</u>												
Ncotshane												
Establishment of Ncotshane Township Register	Legislation	80%		20%		20%		20%		20%		
<u>6. Sport and Recreation</u>												
Management	Legislation	All		20%		30%		30%		30%		
Public Awareness	Legislation	All		100%		100%		100%		100%		
Business Plan Implementation		100%		25%		25%		25%		25%		
<u>7. Youth Council</u>												
Awareness Campaigns	Legislation	All		100%		100%		100%		100%		
<u>12. Vote: Refuse Removal</u>												
Service Provider												
Refuse bins	Deliver by March 2012	3000								3000		
Operational												
- Belgrade	Management/Removal	All		100%		100%		100%		100%		
- Golella	Management/Removal	All		100%		100%		100%		100%		
- Itchelejuba	Management/Removal	All		100%		100%		100%		100%		
- Illovo	Management/Removal	All		100%		100%		100%		100%		
- Ncotshane	Management/Removal	All		100%		100%		100%		100%		
- Pongola	Management/Removal	All		100%		100%		100%		100%		
Refuse dump	Master Plan	1		1		1		1		1		
Operational	Management	100%		100%		100%		100%		100%		

PROTECTION SERVICES DEPARTMENT

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
		Quarterly Targets										
		Annual	Revised	Quarter Ending		Quarter Ending		Quarter Ending		Quarter Ending		
		Target	Target	September		December		March		June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Department - Community Services												
(Manager: Protection Services)												
Assitant Manager Protection Service												
1.Vote: Finance & Admin (Protection Services)												
Enquiries and complaints	No. of replies	all		100%		100%		100%		100%		
7	Submit in November 2012	1		1		1		1		1		
Assets register	Inventories	All		100%		100%		100%		100%		
2.Vote: Public Safety												
2.1 Traffic												
Road Safety Projects	No. of projects	4		1		1		1		1		
Road Signs		all		100%		100%		100%		100%		
Road Markings	Roads	all		100%		100%		100%		100%		
Furniture R10 000.00												
2.2 Fire Fighting/Disaster Management												
Prevention	No. of reactions to calls	all		100%		100%		100%		100%		
Fire Hydrants R200 000.00		100%		25%		50%		75%		100%		
Disaster Thick Shelter R50 000.00		100%		25%		50%		75%		100%		
3.Vote: Road Transport												
3.1 Testing Grounds												
Examination of vehicles	No. of vehicles	5000										
Motor Registrations & Licensing :	Units of one hundred	2000										
Driver's Licences: Bookings	No. of bookings	2500		625		625		625		625		
Passed	No. of passes	1200		300		300		300		300		
Learner's Licences: Bookings	No. of bookings	1500		375		375		375		375		
Passed	No. of passes	1000		250		250		250		250		
Trade Licences	Management	All		100%		100%		100%		100%		
Roadworthy/Certificates	No. of bookings	400		100		100		100		100		
Passed	No. of passes	350		88		88		88		88		
Instructors	Certificates	5		2		1		1		1		
Public Driver Permits	Management	800		200		200		200		200		
Information	Enquiries	100		25		25		25		25		
Traffic	Management	All		100%		100%		100%		100%		
Court	Court fines	1000		250		250		250		250		
Driver's Licences: Cards issued		1000		250		250		250		250		
Temporary Driver's Licences		1000		250		250		250		250		
Hawker's Licences		1000		250		250		250		250		
Fencing R90 000.00												
Extension of Licensing Office R200 000.00												

PROTECTION SERVICES DEPARTMENT - CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
		Quarterly Targets										
		Annual	Revised	Quarter Ending		Quarter Ending		Quarter Ending		Quarter Ending		
		Target	Target	September		December		March		June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
4. Vote: Pound												
Management	Legislation	All		100%		100%		100%		100%		
Public Awareness	Legislation	All		100%		100%		100%		100%		
5. MPCC Office												
Management	Legislation	All		100%		100%		100%		100%		
Project	Legislation	All		100%		100%		100%		100%		
6. Security Services												
Management	Legislation	All		100%		100%		100%		100%		
Safety	Legislation	All		100%		100%		100%		100%		
7. Health and Safety												
Cleanest Town Inspection	Legislation	All		100%		100%		100%		100%		
Health Inspection of Businesses and Residents	Legislation	All		100%		100%		100%		100%		
8. Provision of Alternative Energy												
Supply of Alternative Energy to 906	Tender	906		906		906		906		906		
Indigent Households												

TECHNICAL SERVICES DEPARTMENT

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
1. Department - Technical Services												
Section 57 Appointment	30-Jun-12	1		1		1		1		1		
Substitute Engineer												
Technical Secretary		1		1		1		1		1		
1.1 Vote: Finance & Administration												
	Council	4		1		1		1		1		
	Exco	12		3		3		3		3		
	Manco	23		6		6		6		5		
	MAP	12		3		3		3		3		
	Technical	12		3		3		3		3		
	Sub Region Engineering Meeting	3		1		0		1		1		
	Grasscutting Contractors	4		1		1		1		1		
	Garden Refuse Management											
Enquiries and complaints	No. of replies	100		100		100		100		100		
Draft 2011/2012 budget	Submit in November 2012	1				1				-		
Admin	Correspondence	All		100%		100%		100%		100%		
	Filing	All		100%		100%		100%		100%		
	Vehicle Licence Renewal	all		100%		100%		100%		100%		
	Timesheets	All		100%		100%		100%		100%		
	Contracts - Temp	All		100%		100%		100%		100%		
	PMS - Staff	All		100%		100%		100%		100%		
	Performance Management - section 57	dec				100%				100%		
	Annual Report	30-Jun								100%		
	Risk Assessment	01-Jul		100%						100%		
Legislation	Municipal Systems Act	All		100%		100%		100%		100%		
	MFMA	All		100%		100%		100%		100%		
	Supply Chain Management	All		100%		100%		100%		100%		
	National Building Regulation	All		100%		100%		100%		100%		
	Town Planning	All		100%		100%		100%		100%		
	Domestic Policies	All		100%		100%		100%		100%		
Assets register	Inventories	All		100%		100%		100%		100%		

TECHNICAL SERVICES DEPARTMENT- CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
2. <u>Vote: PMU Manager</u>												
2.1 <u>Vote: Fiannce and admristration</u>												
MIG Meeting		12		3		3		3		3		
Departmental Meeting		12		3		3		3		3		
Consultant Engineers meeting		12		3		3		3		3		
Central Governance Meetings												
Projects	Capital	All		100%		100%		100%		100%		
Business Plans	Capital	All		100%		100%		100%		100%		
- Pongola Ext 4 Roads	Capital	All		100%		100%		100%		100%		
- Ncotshane Storm Water - AFA	Capital	All		100%		100%		100%		100%		
Administration	Management	All		100%		100%		100%		100%		
	MIG meeting	All		100%		100%		100%		100%		
	Monthly meeting	12		3		3		3		3		
	MIG Grant Filing	All		100%		100%		100%		100%		
Access Roads & Related Storm Water in Wards 1,3,4,5,6,7,8,&9	Capital	All		100%		100%		100%		100%		
Ncotshane RDP Housing - Bulk Stormwater Infrastructure	Project	All		100%		100%		100%		100%		
PNG New Roads and Stormwater, Ext 4	Project	All		100%		100%		100%		100%		
PMU management	Management	All		100%		100%		100%		100%		
PMU counterfunding	Funds	All		100%		100%		100%		100%		
Financial Reporting												
- Emma	Reporting	All		100%		100%		100%		100%		
- DORA	Reporting	All		100%		100%		100%		100%		
Assets register	Inventories	All		100%		100%		100%		100%		

TECHNICAL SERVICES DEPARTMENT – CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
3.1 Vote: Planning & Development												
Town Planner	Contractual appointment	1		1		1		1		1		
Junior Town Planner												
GIS Officer												
administration	Admin	All		100%		100%		100%		100%		
Town Planning Scheme	Scheme	All		100%		100%		100%		100%		
Town Planning Ordinance	Ordinance	All		100%		100%		100%		100%		
Departmental Meeting	Meetings	12		3		3		3		3		
Planning and development of Ext 7	Development	All		100%		100%		100%		100%		
Develop Policy for Informal trading	Development	All		100%		100%		100%		100%		
Develop Policy for trading from Containers	Development	All		100%		100%		100%		100%		
Planning for upgrade of Sodwana Corridor	Planning	All		100%		100%		100%		100%		
Application Management	Aplications	All		100%		100%		100%		100%		
Golela, Magudu land legal and formalization	Formalization	All		100%		100%		100%		100%		
GIS System Operationalization and Integration		All		100%		100%		100%		100%		
Shared services GIS and Planning (ZDM)												
Services	Services											
Building relaxation	No	All		100%		100%		100%		100%		
Encroachments	No	All		100%		100%		100%		100%		
Subdivisions	No	All		100%		100%		100%		100%		
Rezoning	No	All		100%		100%		100%		100%		
4. Vote: Planning & Development												
G I S information capturing	No. of building inspections	300		75		75		75		75		
Update of Layout Plans												
Property inspections conducted	No. of property inspections	500		125		125		125		125		
G I S information capturing	No. of captures	200		50		50		50		50		
Advertisement Boards	Outsourced	All		100%		100%		100%		100%		
	Administration	All		100%		100%		100%		100%		
Town Planning Scheme	Legislation	3		100%		100%		100%		100%		

TECHNICAL SERVICES DEPARTMENT – CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
5. Vote: IDP Funding and Management												
Draft Integrated Development Plan	Approved	100%	100%	100%		100%		100%		100%		
Final Integrated Development Plan	Approved	100%	100%	100%		100%		100%		100%		
GIS/data capture training	Training	All		100%		100%		100%		100%		
Building Inspector training	Training	All		100%		100%		100%		100%		
6. Vote: Building Inspectorate												
Staff employment		3		3		3		3		3		
Junion Building Inspector		1		1		1		1		1		
General Assistant		1		1		1		1		1		
Administration		100		100		100		90		90		
Legislation		100		100		100		100		100		
National building Regulations												
Building inspections conducted	No. of building inspections	300		75		75		75		75		
Property inspections conducted	No. of property inspections	500		125		125		125		125		
Building Plan approval												
	Building inspector											
	Electrical	All		100%		100%		100%		100%		
	Technical	All		100%		100%		100%		100%		
	ZDM	All		100%		100%		100%		100%		
	Community	All		100%		100%		100%		100%		
Building Plan register												
Building Plan filing												
Assets Register	Inventory	100%		100%		100%		100%		100%		

TECHNICAL SERVICES DEPARTMENT – CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
		Quarterly Targets										
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
7. <u>Vote: Department - Technical Services (Operational)</u>												
Staff employment												
Operational												
Permanent Workforce												
Temporary Workforce												
Contractors												
Administration												
asset register												
MIG Project - Technical Maintenance												
8. <u>Vote: Community & Social Services</u>												
Cemetery	No. of graves dug	225		63		63		63		63		
Management	Master Plan	1		1								
	Site numbering	100%		25%		50%		75%		100%		
	Register	100%		100%		100%		100%		100%		
9. <u>Vote: Parks & Open spaces</u>												
Operational - Belgrade	Maintenance	All		100%		100%		100%		100%		
- Golella	Maintenance	All		100%		100%		100%		100%		
- Ncotshane	Maintenance	All		100%		100%		100%		100%		
- Pongola	Maintenance	All		100%		100%		100%		100%		
Pest Control	Management	All		100%		100%		100%		100%		
Slasher	R100 000.00											
10. <u>Vote: Caravan Park</u>												
Operational	Maintenance	All		100%		100%		100%		100%		
11. <u>Vote: Aerodrome</u>												
Operational	Maintenance	All		100%		100%		100%		100%		
Annual Licence												
12. <u>Vote: Municipal Buildings</u>												
Operational	Maintenance	All		100%		100%		100%		100%		
13. <u>Vote: Municipal Land</u>												
Operational	Maintenance	All		100%		100%		100%		100%		
14. <u>Vote: Housing</u>												
Upgrade staff accommodation	No. of square metres (m²)											
Upgrade staff houses	No. of houses	40		10		10		10		10		
15. <u>Vote: Garden/Building Removal Management</u>												
Refuse bins	Deliver by March 2013	3000		75		75		75		75		
Operational												
- Belgrade	Management/Removal	All		100%		100%		100%		100%		
- Golella	Management/Removal	All		100%		100%		100%		100%		
- Itchelejuba	Management/Removal	All		100%		100%		100%		100%		
- Illovo	Management/Removal	All		100%		100%		100%		100%		
- Ncotshane	Management/Removal	All		100%		100%		100%		100%		
- Pongola	Management/Removal	All		100%		100%		100%		100%		
Refuse dump	Master Plan	1		1								
Operational	Management	100%		100%		100%		100%		100%		
16. <u>Vote: Refuse Management</u>												
Refuse bins replacement	Deliver by March 2013	300		75		75		75		75		

TECHNICAL SERVICES DEPARTMENT – CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
Department - Technical Services												
17. <u>Vote: Road Transport (cont.)</u>												
Fences	Maintenance	All		100%		100%		100%		100%		
Upgrade rural roads (Belgrade)	No. of kilometres (km)	120		30		30		30		30		
Causeways	No. of causeways	16		4		4		4		4		
Upgrade access roads	No. of kilometres (km)	150		50		50		50				
18. <u>Vote: Other</u>												
Workshop												
Service municipal vehicles	No. of vehicles	25		7		7		7		4		
Earth equipment		6		2		2		1		1		
Equipment		All		100%		100%		100%		100%		
19. <u>Vote: Blockyard (privatization awaited)</u>												
management												
production												
20. <u>Vote: Sewer</u>												
Operational	Departmently	All		100%		100%		100%		100%		
Ablution Block R100 000.00												
21. <u>Vote: Rental Equipment</u>												
		All										
22. <u>Vote: Water</u>												
Operational - Departmently	Departmently portion 435	All		100%		100%		100%		100%		
Raw Water Pipeline - Maintenance												
Raw water pipeline - extension												
23. <u>Vote: Ward upliftment</u>												
Stormwater Management		All		100%		100%		100%		100%		
Informal Road Management		All		100%		100%		100%		100%		
Water tank templates		All		100%		100%		100%		100%		
Cemeteries		All		100%		100%		100%		100%		
Cleaning Processes		All		100%		100%		100%		100%		

TECHNICAL SERVICES DEPARTMENT – CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
24. Vote: LED Projects												
Administration												
ward Upliftment												
LED Allocations												
Business Plans												
warehouse facilities												
records and control												
Social Development Meeting												
Local Community Improvement Grant	Project	1		100%		100%		100%		100%		
Establsihment of Local Service Providers Database (specifically PP Dam)	Project	1		100%		100%		100%		100%		
Training and Accreditation of Local Service Providers (specifically PP Dam)	Project	1		100%		100%		100%		100%		
Facilitate Filling Station Development at Belgrade Market Stall	Project	1		100%		100%		100%		100%		
DSWPD Community Based Projects	Project	1		100%		100%		100%		100%		
Ward upliftment												
Assets												
Donations from ZDM												
LED Storage Warehouse R250 000.00	Project											

TECHNICAL SERVICES DEPARTMENT – CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September	Quarter Ending December	Quarter Ending March	Quarter Ending June					
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
25. <u>Vote: Electricity</u>												
26.1 <u>Vote: Administration</u>												
Contractual appointment		All		100%		100%		100%		100%		
Electrician		All		100%		100%		100%		100%		
Maintenance workforce		All		100%		100%		100%		100%		
Administration		All		100%		100%		100%		100%		
By-Laws		All		100%		100%		100%		100%		
Meter enquiries		All		100%		100%		100%		100%		
Correspondance		All		100%		100%		100%		100%		
Cut Off Procedures		All		100%		100%		100%		100%		
Nersa		All		100%		100%		100%		100%		
EDI		All		100%		100%		100%		100%		
Update Network Plan		All		100%		100%		100%		100%		
New Connections		All		100%		100%		100%		100%		
-Pongola town		All		100%		100%		100%		100%		
- Industrial		All		100%		100%		100%		100%		
-Residential		All		100%		100%		100%		100%		
- Business		All		100%		100%		100%		100%		
Municipal Buildings												
-Airconditioning												
-Internal Network												
Ncotshane Admin Work R80 000.00												
(Electricity distribution)	Operational	All		100%		100%		100%		100%		
Meters	Readings	All		100%		100%		100%		100%		
26.2 <u>STREETLIGHTS</u>												
uPhongolo (poles, cables & structures)	As per required project	All		100%		100%		100%		100%		
Ncotshane (poles, cables & structures)	As per required project	All		100%		100%		100%		100%		
uPhongolo	As per required project	200		50%		50%		50%		50%		
Ncotshane	As per required project	16 mass		4		4		4		4		
Belgrade	As per required project	6 mass		1		2		2		1		
26.3 <u>HV EQUIPMENT</u>												
HV surge arrestor to install	As per required project	All		100%		100%		100%		100%		
HV cross arms & fuse links	As per required project	All		100%		100%		100%		100%		
Refurbish HV equipment & upgrading	As per required project	All		100%		100%		100%		100%		
26.4 <u>REPAIRS & MAINTENANCE</u>												
SUBSTATION MAINTENANCE	AS PER ELECTR MAINT PLAN	All		100%		100%		100%		100%		
MINI SUBSTATION, TRANSFORMERS	"	48		12		12		12		12		
OVERHEAD LINE MAINT	"	All		100%		100%		100%		100%		
NETWORK	"	All		100%		100%		100%		100%		
ELECTRICAL METERS	"	All		100%		100%		100%		100%		

TECHNICAL SERVICES DEPARTMENT – CONTINUE

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2012/2013												
						Quarterly Targets						
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June		
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Explanation of Variance
26.5 Capital Projects												
1) 11kva Electrical Network, Extension 4, Pongola	R 2,800,000.00	PROJECT		100%		100%		100%		100%		
2) 11kva Electrical Network, Extension 7, Pongola	R 1,100,000.00	PROJECT		100%		100%		100%		100%		
3) Ring Feed Connection Residential Area	R 950,000.00	PROJECT		100%		100%		100%		100%		
4) Re-routing of Overhead Lines, Industrial Area	R 350,000.00	PROJECT		100%		100%		100%		100%		
5) Infrastructure, Business Area, Extension 4	R 1,800,000.00	PROJECT		100%		100%		100%		100%		
6) Infrastructure, Industrial Area, Extension 1	R 1,100,000.00	PROJECT		100%		100%		100%		100%		
7) Infrastructure, Residential Area, Extension 4	R 800,000.00	PROJECT		100%		100%		100%		100%		
8) Infrastructure, Low Cost Housing Connections	R 4,100,000.00	PROJECT		100%		100%		100%		100%		
9) Extension of Bulk Distribution, Rural Area	R 4,800,000.00	PROJECT		100%		100%		100%		100%		
10) Residential Connection, Magudu Area	R 4,700,000.00	PROJECT		100%		100%		100%		100%		
11) Cluster Household Connections	R 9,000,000.00	PROJECT		100%		100%		100%		100%		
12) Mast Lighting Intersections	R 850,000.00	PROJECT		100%		100%		100%		100%		
13) Upgrading, Electrical Network, Central Business Area	R 650,000.00	PROJECT		100%		100%		100%		100%		

KPA 5: GOOD GOVERNANCE

5.1 GRANTS-IN-AID FUND

1. Mayoral Grants-2011/2012.

For the year 2011/2012, many of the budget votes under Mayoral Funds had a surplus at the end of the financial year (at past as per the printout from the Finance Department).

To highlight some of the larger budget votes under this category:

(a) Councillors Allowance.

Out of the R4 262691.00 budgeted for this vote R3 550129.48 was used leaving a surplus of R712 561.52. The budget was higher due to the anticipation for higher Councillors allowance, but only 5 percent was promulgated by the MEC of COGTA.

(b) Mayoral Bursary Fund.

R300 000.00 was budgeted for and R219 405.20 was used in the calendar year 2011 to pay for students who are in various institutions of higher learning and only R80 894.80 was left to assist new learners (as per new council resolution) In 2012. The budget for this vote was revised at the beginning of 2012 and pegged at R500 000.00.

(c) Mayoral Events Fund.

This vote is a composite vote, with the Mayoral Cup being the dominant sub-vote. R 250 000.00 was budgeted for Mayoral Cup and the sub-vote was overshoot as a result this vote has since been moved to Community Services Department under the Sports and Recreation.

(d) Ward Upliftment.

R532 000.00 was budgeted for and each ward was allocated R38 000.00 for Ward upliftment. The information derived from the LED Office (which execute and monitor the buying of material for wards) all wards did received their allocated share.

(e) Substance & Travelling.

In 2011/2012 records show that Substance and Allowance received a budget of R325 308.00, which was under spent by R100 000.00.

2. The administration of the Mayor Office.

Although there are a number of grants allocated to the office of the Mayor they are not administered by this office. For better administration and monitoring it will be more relevant for these grants to be moved to the Departments and sections where they are coordinated.

Finally, it is necessary that the Department of Treasury record, accurate actual figures e.g. as per records R532 000.00 was budgeted for Ward upliftment but the Department recorded a budget of R539 000.00.

5.2 CORPORATE GOVERNANCE

OFFICE OF THE MAYOR AND SPEAKER:

ADMINISTRATIVE SUPPORT FOR COUNCILLORS

The Office of the Senior Administration provides administrative support along with the Secretary of the Honourable Mayor for all Councillors on a daily basis. Processing of Councillors claims, transport and accommodation arrangements when the need arises.

The Personal Assistant of the Honourable Mayor also assists the public and manages budget control of the Grants and Aid Fund of the Honourable Mayor. The Mayors Secretary in co-operation with the Honourable Mayor arranges all Mayoral Functions and assists the Province and Zululand District Municipality where needed with function planning and co-ordination.

CUSTOMER SERVICES:

The uPhongolo Local Municipality strives to give excellent customer service and a complaint book is implemented at each reception area. Complaints received are discussed at the Management Committee and relevant HOD is instructed to attend and report back.

Assistance was also given with the Workplace Skills Development Plan and the establishment of the Employment Equity Committee.

EMPLOYMENT EQUITY PLAN AND SKILLS DEVELOPMENT PLAN/SKILLS TRAINING PLAN:

The Human Resource Department ensured that the Employment Equity Plan and the Skills Development Plan along with a detailed Skills Training Plan was submitted to the relevant authorities on time.

COMMITTEES:

The section is responsible for the following functions:

- All secretarial functions pertaining to all council Meetings and Workshops held with Councillors.
- The safekeeping of all minutes and agendas of Council in the registry.
- Placing of all adverts for tenders, quotations and vacancies in the different media.
- Offer support in the Administrative functions in the institution.
- The Senior Administrative Officer and Junior Committee Clerk will also be supporting Ward Committees with Minute taking.

Council has 17 Committees administered and managed by the Senior Administrative Officer and the Junior Committee Clerk apart from the 14 Ward Committees. The administrative officials are further assisted by the secretaries of the various HOD's and a Typist Clerk in the Technical Department, who ensures that the layout and grammatical proofreading/Translations of items are done accurately.

Certain committees meet on a monthly basis except for the Community Services Committee Meeting, Tourism Committee, skills development/Labour forum Committee Meeting which takes place every two months and Council Meetings take

place once every quarter. Management Committee Meetings are held every two weeks.

MINUTES:

Minutes are properly documented and archived on a daily basis to avoid any legal and financial implication for council. Regular backups of minutes are done on a daily basis to ensure that information is stored. A copy of the Minutes is filed in a Minutes File and copies of the Executive and Council Minutes are forwarded to the Department of Local government once it is signed and approved by the Executive Committee and Council.

SWITCHBOARD/RECEPTION:

The switchboard under the management of the Senior Administrative Officer is fully functional and the software was upgraded during 2012 to accommodate the expansion of the Municipal Office Building. Premicell lines are fully functional and the telephone system is managed with the MAN 3000 software programme which enables Council to control and manage all telephone calls on a daily basis. Accounts are balanced and personal calls made by the staff are paid for via salary deductions.

REGISTRY:

The Registry still stays a challenge during the 2011/2012 financial year various options were looked into to address the problem with space to store archive material.

A business plan was submitted for application for funding to build an Archive through the MIG Department. This was unsuccessful.

STORAGE PROBLEM AT THE REGISTRY OFFICE AND OTHER OFFICES

At the present moment the records office is experiencing a storage problem and currently waiting to outsource the storage off site.

When the KZN Archives came for a comprehensive inspection in May 2012 it was found that other Departments and offices don't use an approved File Plan 20, namely Ncotshane office, Belgrade office, Traffic Department, Technical Department, Finance Department and Community Department and the Registry Office is required to oversee all the above-mentioned Departments, we are currently waiting for the report back to give us a way forward on this matter.

In May 2012 a Jnr records Clerk was appointed at the Registry office and she attended the Registry Management training offered by the KZN Archives.

WEBSITE:

Council's Website is kept up to date on a daily basis to ensure compliance with Legislation and Section 75 of the MFMA.

Tenders that are awarded is published for 14 days and all vacancies are placed on the Website. Various documents is placed on the Website i.e. Budget, IDP, Performance Contracts, SDBIP, By-Laws, Policies etc.

DISASTER RECOVERY PLAN:

Council has developed its own Disaster Recovery Plan, the next step is to compile the Disaster Recovery Manual.

CHAPTER 3:

MEASURES TAKEN TO ENHANCE PERFORMANCE

QUALITY PROOFING OF SYSTEMS AND PROCEDURE:

The quality management and improvement of quality business systems is done on a day-to-day basis. All managers in specialist areas must ensure that they comply and implement and use electronic techniques and equipment fully with the aim of developing the systems.

QUALITY SYSTEMS:

The key focus in our Municipality is to ensure that all our systems are updated from time to time to ensure they assist the municipality to deliver products and services in a more efficient way.

- Organisational Performance Management System
- Risk Managing
- Integrated Management Systems
- Improved Report Systems and Procedures
- LGNET Internal e-mail System
- All staff have been linked to the Small Business Server and all work is saved on the server to ensure that there are copies available should the individual PC hard drive crash.
- Advance computer Network linking each desk with the main server.
- ADSL Line has been upgraded to 1 Meg

The following systems are still in place but not yet finalised during the 2011/2012 financial year, namely:

- Off-site storage of Archive Material

The following systems are still in place and finalised during the 2011/2012 financial year, namely:

- Upgrade of the Telephone System

- Installing of Access Control System
- Installing of Staff verifications System (to prevent ghost workers)

CHAPTER 4:

CHALLENGES AND PRIORITIES

The following challenges and priorities face the Municipality:

1. Keeping the necessary infrastructure maintained and in a good condition.
2. Maintenance of rural access roads
3. To eradicate the high levels of unemployment by creating jobs through Local Economic Development.
4. The installation of services within new residential areas
5. Improving capacity level of staff/Councillors
6. Acquiring of appropriate skills (employment Practices)
7. Accessing of funds.

CHAPTER 5: CONCLUSION

During 2011/2012 uPhongolo Local Municipality has delivered services to the community within the boundaries of its financial capacity.

uPhongolo Local Municipality has to date completed all MIG projects 100% within the set timeframe. Moreover, we have sound administrative systems in place with clear mechanisms to foster participatory democracy.

uPhongolo Local Municipality would like to make use of this opportunity to express appreciation to community members, Councillors and Officials who continue to ensure that we as uPhongolo Local Municipality excel to higher levels. We can proudly declare that we have indeed made a difference in the lives of our People, even though there is still a need to do much more.

CONTACT DETAILS:

Tel:	034-4131223
Fax:	034-4131706
E-Mail:	pongolatlc@pga.dorea.co.za
Web Site:	www.uphongolo.org.za

ANNEXURE A

**ASSESSMENT ON ARREAS ON MUNICIPAL TAXES AND
SERVICE CHARGES FOR THE YEAR ENDING 30TH JUNE 2012**

AD : AGE ANALYSIS OF DEBTORS (All values in Rand) (Bad Debts=Bad Debts written off during the month)
 Save File as : Muncde_AD_cpy_Mnn.XLS (e.g. : G1411_AD_2005_M10)
 Change Year End (copy) to Financial Year End (e.g. : 2005 for year 2004/2005) and Month End (Mnn) to Active Month (MO1=July..M12=June)(e.g. : M10)
 Change Muncde to your own municipal code (e.g. : G1411)
 To Save File press the following keys at the same time with Caps Lock off: Ctrl Shift S

Year	Month	Mun	Detail	0 -	31 -	61 -	91 -	121 -	151 -	181 Days -	Over 1	Total	Bad
End	End	KZ282		30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	1 Year	Year	Debts	Debts
2012	M12		Debtors Age Analysis By Income Source										
		1100	Water Tariffs	0	0	0	0	0	0	0	0	0	0
		1200	Electricity Tariffs	1,797,130	798,863	82,941	96,895	83,845	877,513	0	0	3,714,997	0
		1300	Rates (Property Rates)	-685,826	694,128	487,100	484,849	436,354	20,520,724	0	0	21,917,330	0
		1400	Sewerage / Sanitation Tariffs	0	0	0	0	0	0	0	0	0	0
		1500	Refuse Removal Tariffs	252,207	310,518	253,627	264,010	249,747	24,550,950	0	0	25,861,059	0
		1600	Housing (Rental Income)	0	0	0	0	0	0	0	0	0	0
		1700	RSC Levies	0	0	0	0	0	0	0	0	0	0
		1800	Other	10,660	115,141	0	0	0	0	0	0	0	0
		1900	Total By Income Source	1,374,061	1,916,461	1,01,679	98,780	93,683	4,779,992	0	0	5,199,825	0
		2000	Debtors Age Analysis By Customer Group										
		2100	Government	27,481	38,329	18,507	18,481	16,873	1,014,684	0	0	1,134,265	0
		2200	Business	161,147	210,810	101,788	101,700	92,789	5,580,210	0	0	6,238,454	0
		2300	Households	1,071,788	1,494,832	721,771	721,144	659,090	39,568,750	0	0	44,238,305	0
		2400	Other	123,885	172,480	83,261	83,269	75,827	4,566,825	0	0	5,104,187	0
		2500	Total By Customer Group	1,374,061	1,916,461	925,347	924,544	843,629	50,729,179	0	0	56,713,211	0

Prepared by :- 

Approved by :- 



New Integrated Credit Solutions (Pty) Ltd.
Reg. No 2001/004355/07

1166 SCHOEMAN STREET
BEELD PARK BUILDING
HATFIELD
P O BOX 9555
PRETORIA
0001
TELEPHONE: (012) 432 5000
0866872716
FAX: (012) 432 5026

UPHONGOLO LOCAL MUNICIPALITY

MONTHLY REPORT JUNE 2012

Overview

NICS collection process and strategies are still in place on the Uphongolo Municipality debtors' book to enhance revenue management, our dedicated consultant are making calls, payment arrangement with consumers on daily basis.

Stats for the month of June 2012

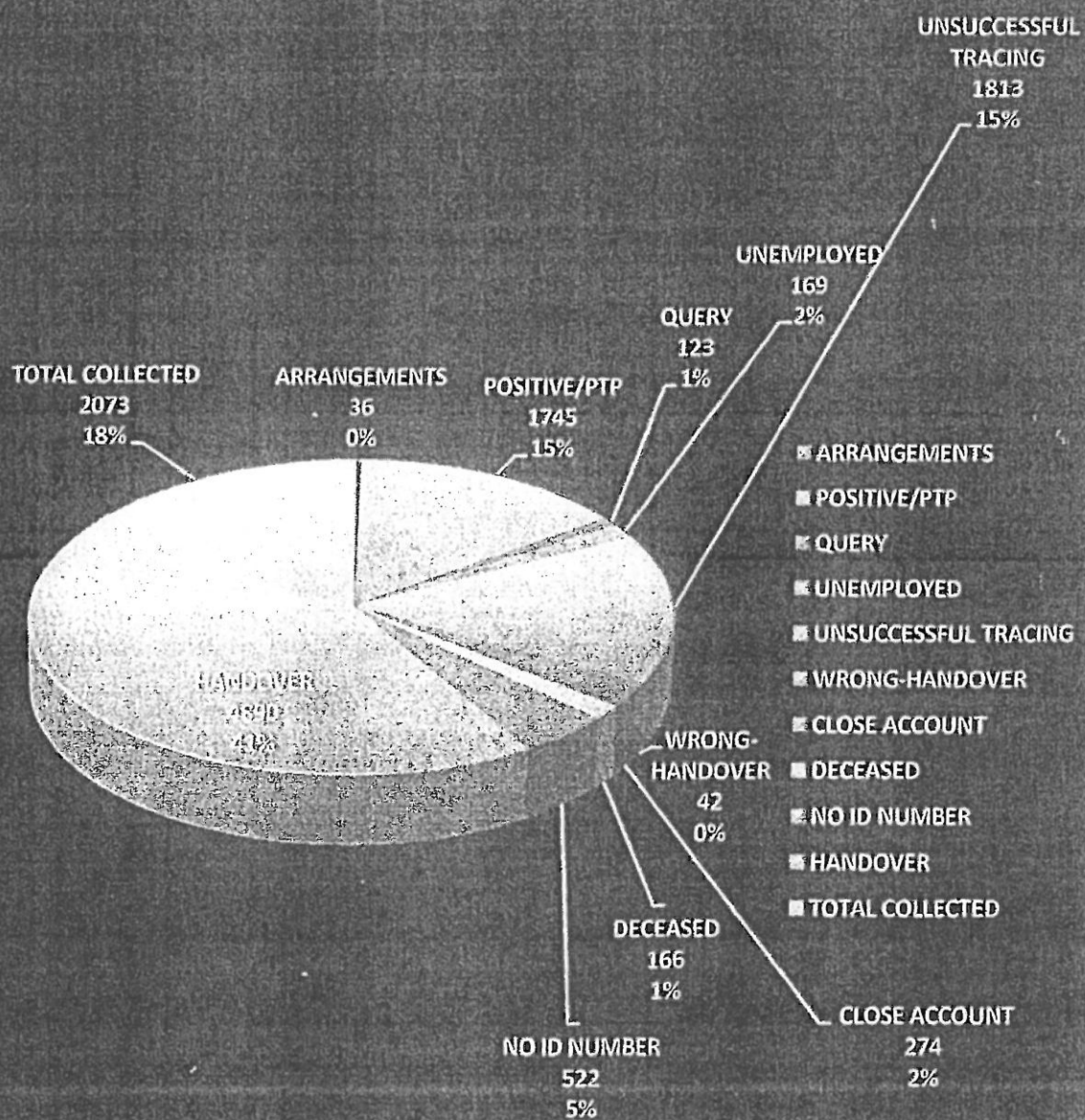
ACTION TAKEN	NUMBERS	PAYMENTS
Phone calls	<u>358</u>	56
Demand /letters-posted	<u>86</u>	23
AOD/signed	<u>25</u>	36
Promise to Pay	<u>168</u>	46
SMS/demand	<u>98</u>	23
Foot-soldier letters <u>send</u>	<u>100</u>	37

Work flow processes

- Data wash to retrieve current details.
- Bulk letters
- Bulk sms.
- Daily telephone calls.
- Signing of AOD (acknowledgement of debts)
- After data wash, area where incomplete postal information is retrieved foot soldiers are deployed for door to door letter campaign.
- Annual Electronic indigent audit.

‡ A total of 2073 valued at R22 939.970.56 active files are still being pursuit by our office. Below find graphical representation of the handed over files since the inception of the contract.

TOTAL HANDOVER



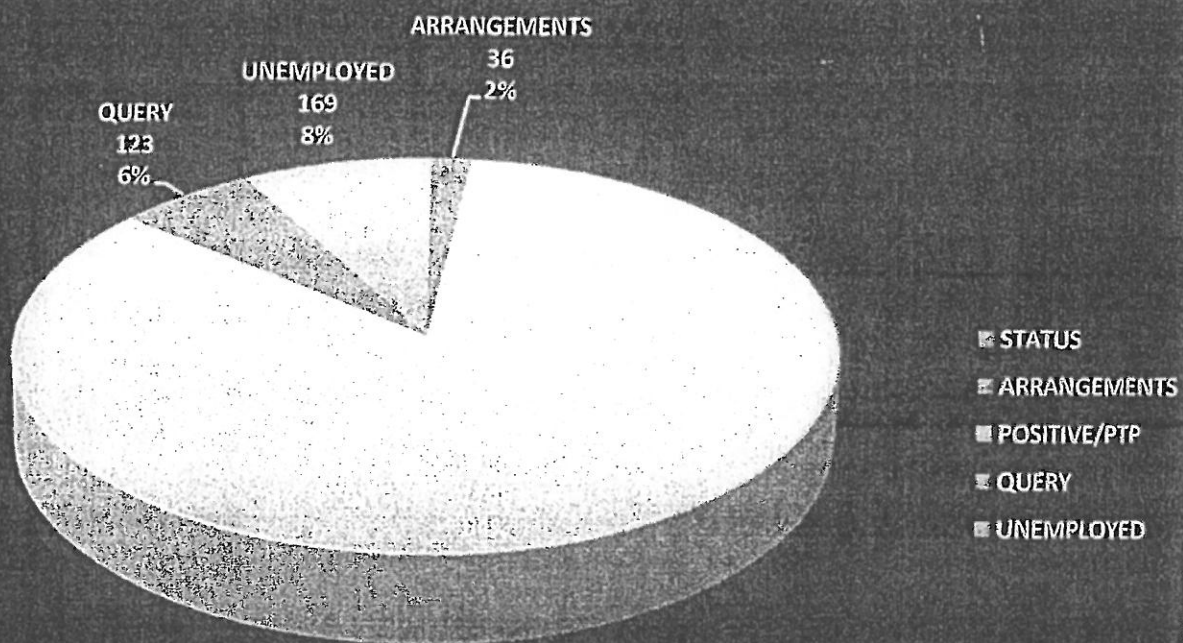
Operational Challenges

- Not receiving new handover monthly, (90 days plus arrears account to handed over on monthly basis)
- Balance up-date after monthly billing.
- No feedback on the indigent audit.
- Consumers not receiving monthly billing statement.
- Property located stands, unable to identity.
- High rate of unemployment.
- Pensioners.
- Query turn around time very slow(municipal side)

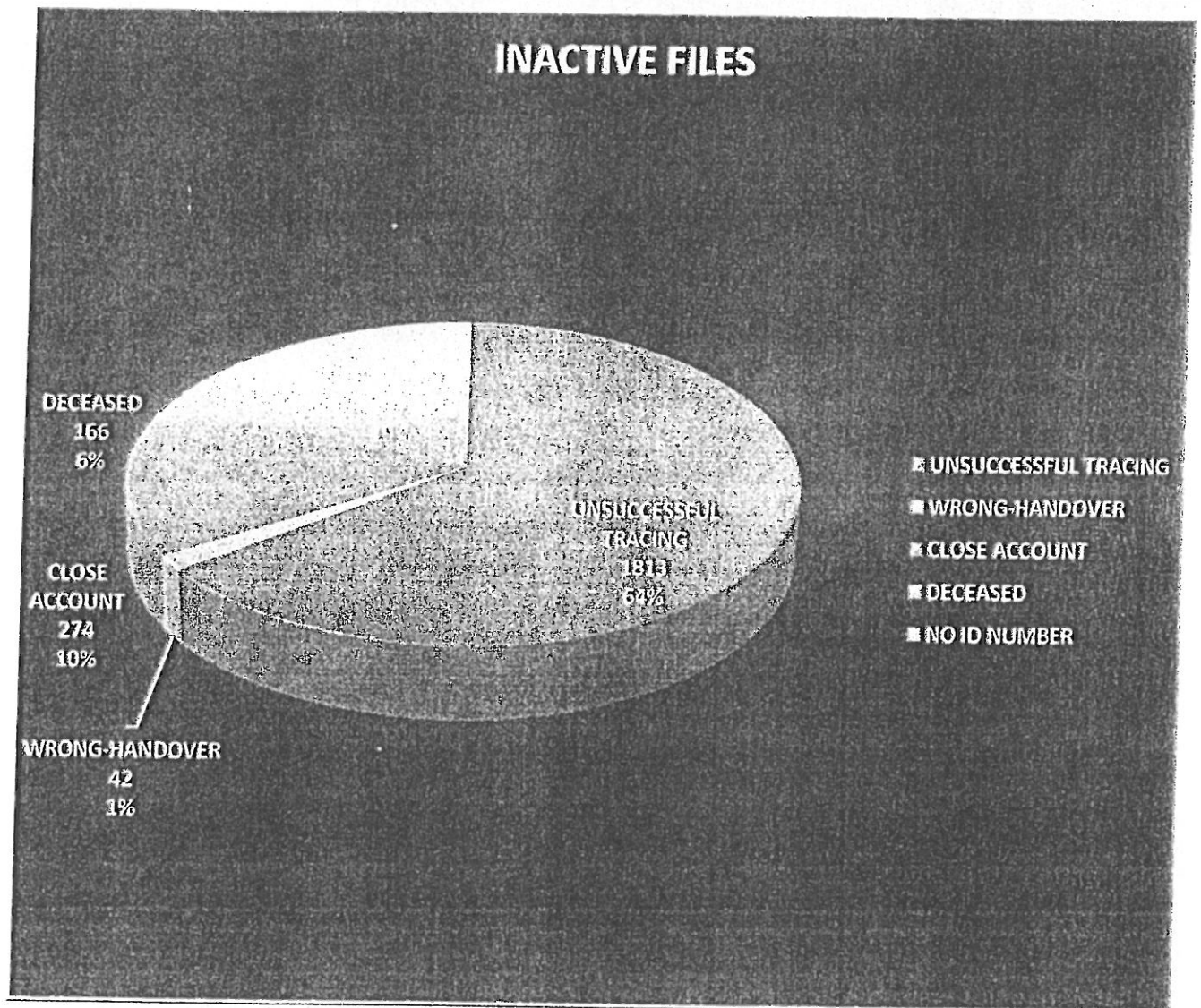
Total Collections

<u>Months</u>	<u>Collected amount</u>
<u>May 2010</u>	<u>R309.440.08</u>
<u>June 2010</u>	<u>R368.066.80</u>
<u>July 2010</u>	<u>R255.998.51</u>
<u>August 2010</u>	<u>R285.362.30</u>
<u>September 2010</u>	<u>R191.282.64</u>
<u>October 2010</u>	<u>R242.282.64</u>
<u>November 2010</u>	<u>R202.085.66</u>
<u>December 2010</u>	<u>R194.685.10</u>
<u>January 2011</u>	<u>R240 845.26</u>
<u>February 2011</u>	<u>R444 659.61</u>
<u>March 2011</u>	<u>R263 455.19</u>
<u>April 2011</u>	<u>R159 918.91</u>
<u>May 2011</u>	<u>R259 074.11</u>
<u>June 2011</u>	<u>R509 094.59</u>
<u>July 2011</u>	<u>R347 893.31</u>
<u>August 2011</u>	<u>R559 872.41</u>
<u>September 2011</u>	<u>R432 597.87</u>
<u>October 2011</u>	<u>R795 573.74</u>
<u>November 2011</u>	<u>R250, 048.40</u>
<u>December 2011</u>	<u>R327, 732.25</u>
<u>January 2012</u>	<u>R501.517.71</u>
<u>FEBRUARY 2012</u>	<u>R370.969.33</u>
<u>MARCH 2012</u>	<u>R391. 839.77</u>
<u>APRIL 2012</u>	<u>R332,331.87</u>
<u>MAY 2012</u>	<u>R344,298.51</u>
<u>TOTAL</u>	<u>R8 581,340.05</u>

GRAPHIC PRESENTATION ACTIVE FILES



GRAPHIC PRESENTATION INACTIVE FILES



New Integrated Credit Solutions (Proprietary) Limited
(Reg. No.2001/004355/07)

Directors: Baker M.J. Maseko (Chairperson), P.C Richards (MD), T.L. Aphane, T. Jonk

ANNEXURE B

**ASSESSMENT ON MUNICIPALITY'S PERFORMANCE AGAINST THE
MEASURABLE PERFORMANCE OBJECTIVES FOR REVENUE FROM
EACH SOURCE AND FOR EACH VOTE IN THE BUDGET**

REFLECTIONS ON PARTICIPATION

Ref V525/001062

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE - CURRENT YEAR

Page 93

Update Selections:

Consolidation Type: F Levels: 1 TUNE 00-29

User: 024 AVANDRA

Dated: 30/06/2012 For The Month Ending: 31/06/2012

2012/03/24 12:31:20

TOMAS DE FONSECA

Fund: "1 BELASTING & ALGEMEENE FONDEN

Dep't ALL DEPARTMENTS

6.53

Item	Sub Description	Note No.	This Month Estimate	This Month Actual	This YTD Estimate	This YTD Total Estimate	This YTD Actual	Percentage of Total
TOTAL OPERATING REVENUE								
TOTAL DIRECT OPERATING REVENUE								
TOTAL OPERATING REVENUE GENERATED								
PROPERTY RATES								
7002 000	PROPERTY RATES		(9,62986.00)	(1236262.24)	(11595403.00)	(11595403.00)	(11072995.62)	95.49
PROPERTY RATES -								
	PROPERTY RATES -		(9,62986.00)	(1236262.24)	(11595403.00)	(11595403.00)	(11072995.62)	95.49
PENALTIES & COLLECTION CHARGES ON RATES								
7011 000	COLLECTION CHARGES		(104.00)	-	(1127.00)	(1127.00)	-	-
PENALTIES & COLLECTION CHARGES ON RATES								
	CHARGES ON RATES		(104.00)	-	(1127.00)	(1127.00)	-	-
SERVICES CHARGES								
7051 000	ELECTRICITY		(1543682.00)	(1747440.20)	(18764074.00)	(18764074.00)	(18222396.60)	97.11
7052 000	REFUSE REMOVAL		(37,444.00)	(37,577.25)	(3847990.00)	(3847990.00)	(3786445.73)	100.46
7052 001	GARDEN REFUSE		6051.00	107.00	(38070.00)	(38070.00)	(38070.00)	113.24
7055 000	SERVICES CHARGE BELGRAVE		(99415.00)	(27704.24)	(317146.00)	(317146.00)	(307595.68)	104.51
SERVICES CHARGES								
	SERVICES CHARGES		(1795630.00)	(2162449.35)	(23687180.00)	(23687180.00)	(23211917.05)	97.99
RENT OF FACILITIES AND EQUIPMENT								
7101 000	RENTAL : CARAVAN PARK		(5704.00)	(4514.75)	(53063.00)	(53063.00)	(54020.00)	100.29
7102 000	RENTAL : COMMUNITY HALL		(2542.00)	-	(35230.00)	(35230.00)	-	-
7103 000	RENTAL : LAND		27794.00	(3953.78)	(31994.00)	(31994.00)	21430.57	(26.14)
7104 000	RENTAL : MUNICIPAL BUILDINGS		(45760.00)	(26710.76)	(385925.00)	(385925.00)	(361560.61)	93.67
7105 000	RENTAL : HAWKERS		(277.00)	-	(4192.00)	(4192.00)	-	-
RENT OF FACILITIES AND EQUIPMENT								
	RENT OF FACILITIES AND EQUIPMENT		(30289.00)	(36679.23)	(561504.00)	(561504.00)	(540082.16)	70.18
INTEREST EARNED - EXTERNAL INVESTMENTS								
151 000	INTEREST : CURRENT ACCOUNT		(10547.00)	(7774.77)	(30914.00)	(30914.00)	(30932.76)	101.63
152 000	INTEREST : INVESTMENT		(109935.00)	(389995.39)	(1114250.00)	(1114250.00)	(947120.13)	85.06
INTEREST EARNED - EXTERNAL INVESTMENTS								
	INTEREST EARNED - EXTERNAL INVESTMENTS		(210382.00)	(397770.16)	(1175164.00)	(1175164.00)	(1063705.05)	88.24
INTEREST EARNED - OUTSTANDING DEPOSITS								

UPPONGOLU MUNICIPALITY

Ref: V525/001062 CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE (CURRENT YEAR) Page: 02
 Update Selections: Consolidation Type: 1 - Local - 100% 00-99
 User: 024 AYANDA Date: 30/03/2012 For the month Ending: 31/03/2012 23/07/20 19:31:20
 Term: 01 FUNDING
 Fund: 01 DELISTING & ALGEMENE FONDSE Dept: 01 ALL DEPARTMENTS Sec: 01

Item Sub Description	Note No.	This Month Estimate	This Month Actual	This YTD Estimate	This Yr Total estimate	This YTD Actual	Percentage Utilized
7101 000 INTEREST EARNED - OUTSTANDING DEBTORS							
		(254274.00)	(249435.23)	(1746366.00)	(1746366.00)	(2797005.27)	160.13
INTEREST EARNED - OUTSTANDING DEBTORS							
		(254274.00)	(249435.23)	(1746366.00)	(1746366.00)	(2797005.27)	160.13
FINES							
7251 000 FINES : COURT		60000.00	(66850.00)	(160000.00)	(160000.00)	(186400.00)	116.50
7252 000 FINES : LIBRARY		(491.00)	-	(4200.00)	(4200.00)	(2470.00)	58.80
FINES		79509.00	(66850.00)	(164200.00)	(164200.00)	(188870.00)	115.02
LICENSES & PERMITS							
7301 000 LEARNERS LICENCES		(17410.00)	(37990.00)	(264411.00)	(264411.00)	(300016.00)	124.13
7302 000 ROADWORTHY CERTIFICATES TEST COF		(20562.00)	(129000.00)	(1223674.00)	(1223674.00)	(915792.01)	94.75
7303 000 TRADE LICENCES		(132.00)	(10944.00)	(1960.00)	(1960.00)	(20240.00)	1028.76
7304 000 PUBLIC DRIVERS PERMIT		(10221.00)	(15700.00)	(156222.00)	(156222.00)	(141660.01)	95.60
7305 000 DRIVERS LICENCES		(46429.00)	(69158.00)	(705196.00)	(705196.00)	(703453.05)	100.40
7306 000 HAWKERS PERMIT		(130.00)	-	(1950.00)	(1950.00)	-	-
7307 000 INSTRUCTORS		(30.00)	-	(415.00)	(415.00)	-	-
LICENSES & PERMITS		(154914.00)	(245794.00)	(2392045.00)	(2392045.00)	(2361747.12)	100.57
INCOME FOR AGENCY SERVICES							
7361 000 RPA MOTOR FEES		(117137.00)	(70510.54)	(832905.00)	(832905.00)	(610332.15)	73.27
INCOME FOR AGENCY SERVICES		(117137.00)	(70510.54)	(832905.00)	(832905.00)	(610332.15)	73.27
GRANTS & SUBSIDIES RECEIVED - OPERATING							
7401 000 EQUITABLE SHARE		(4504350.00)	(9729020.33)	(52611999.00)	(52611999.00)	(69000028.53)	115.93
7402 000 FINANCE MANAGEMENT GRANT (FME)		(120657.00)	(485702.10)	(1450000.00)	(1450000.00)	(1294007.23)	89.30
7403 000 HSIC - YARD COMMITTEE		(83337.00)	(43920.93)	(1000000.00)	(1000000.00)	(112470.93)	11.24
7404 000 ZDM SUBSIDY		2925.00	-	(50000.00)	(50000.00)	(100000.00)	200.00
7405 000 M A P		-	(58100.25)	-	-	(484456.55)	-
7409 000 VALUATION ROLL GRANT		(62170.00)	-	(740000.00)	(740000.00)	(136385.10)	18.36
7410 000 TOURISH GRANT (ANDOVER)		-	-	-	-	(36622.02)	-
7411 000 HANDS-ON SUPPORT GRANT		-	-	-	-	(260423.80)	-
7412 000 SYNERGISTIC PARTNERSHIPS		(29750.00)	-	(357000.00)	(357000.00)	-	-
7416 000 UPLA LIBRARY STAFF COSTS		(8000.00)	-	(96000.00)	(96000.00)	-	-
7418 000 POORTDAM		(1341827.00)	4790.65	(4025479.00)	(4025479.00)	(121006.85)	3.01
7425 000 LIBRARIES PROVINCIALISATION		(32500.00)	(854407.07)	(402000.00)	(402000.00)	(854407.07)	212.53

UPHONGSOL MUNICIPALITY

ef V525/001062

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE (CURRENT YEAR)

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Update Selections:

Consolidation Type: F Level: 1 TOWN 00-99

ser: 024 AYANDA

Date: 30/06/2012 For the Month Ending: 31/06/2012

2012/07/26 19:33:20

Town: 01 FOMOLILA

und: "1 DELASTING & ALGEMENE FONDOS

Dep: "1 ALL DEPARTMENTS

Sec: ""

Item Sub Description	Note No.	This Month Estimate	This Month Actual	This YTD Estimate	This YTD Total Estimate	This YTD Actual	Percentage Utilized
426 000 FLEA MARKET GRANT		(710000.00)	-	(3600000.00)	(3600000.00)	(170875.00)	4.96
GRANTS & SUBSIDIES RECEIVED - OPERATING		(6790846.00)	(11166366.93)	(64338470.00)	(64338470.00)	(64554062.80)	100.38
GRANTS & SUBSIDIES RECEIVED - CAPITAL							
1 000 MUNICIPAL INFRASTRUCTURE GRANT		(1194434.00)	(201025.51)	(16793000.00)	(16793000.00)	(10904677.71)	64.93
452 000 ONE ESKOM PROJECT		90734.00	(1797043.90)	-	-	(6315143.00)	-
GRANTS & SUBSIDIES RECEIVED - CAPITAL		(446041.00)	(401649.41)	(16793000.00)	(16793000.00)	(7247620.00)	102.72
OTHER REVENUE							
501 000 BUILDING PLANS		(6761.00)	(5760.74)	(60778.00)	(60778.00)	(41006.93)	80.93
502 000 BURIAL FEES		(7504.00)	(7340.90)	(114201.00)	(114201.00)	(99292.00)	86.90
503 000 CERTIFICATE CLEARANCE		(2200.00)	(1430.00)	(19400.00)	(19400.00)	(10001.00)	51.55
504 000 CERTIFICATE VALIDATION		(203.00)	(410.00)	(3000.00)	(3000.00)	(4004.00)	133.46
505 000 DUMPING FEES		(844.00)	(1293.45)	(10911.00)	(10911.00)	(12013.24)	110.07
506 000 ENLARGEMENT FEE		(50.00)	(60.36)	(691.00)	(691.00)	(721.32)	104.40
507 000 FINAL READINGS		(1570.00)	(407.53)	(10356.00)	(10356.00)	(4278.00)	41.21
508 000 GRAVE FEES		(3274.00)	-	(11310.00)	(11310.00)	(15450.00)	50.00
509 000 GRAVE STONES		(135.00)	-	(1201.00)	(1201.00)	(620.53)	49.99
510 000 LIBRARY MEMBERSHIP		(105.00)	-	(1640.00)	(1640.00)	-	-
1 000 NEW CONNECTION		(2501.00)	(2797.00)	(10701.00)	(10701.00)	(12600.00)	83.02
512 000 SALE OF CROWN		76079.00	(37287.19)	(2702405.00)	(2702405.00)	(16810.00)	1.59
513 000 SIGN BOARDS		(54501.00)	(3972.23)	(209599.00)	(209599.00)	(50270.00)	17.35
514 000 SUNSHY INCOME		-	(13657.71)	-	-	(364297.00)	-
515 000 SURPLUS CASH - CASHIER		(50.00)	-	(295.00)	(295.00)	(04.32)	20.30
516 000 TENDER DOCUMENT FEE		(2743.00)	-	(29000.00)	(29000.00)	(17100.00)	58.96
517 000 INFORMATION		(1400.00)	(59.40)	(2101.00)	(2101.00)	(1916.00)	87.40
518 000 INV COMMISSION		(60.00)	(290.57)	(500.00)	(500.00)	(3773.30)	503.33
519 000 RECONNECTION FEES - ELECTRICITY		(3066.00)	(2140.17)	(40549.00)	(40549.00)	(49307.00)	104.05
OTHER REVENUE		10106.00	(74449.45)	(2943057.00)	(2943057.00)	(760360.27)	25.85
TOTAL OPERATING REVENUE GENERATED		(10626367.00)	(20320465.70)	(126191229.00)	(126191229.00)	(12420072.99)	98.47
REVENUE FOREGONE							
795 000 INDECENT RELIEF		117276.00	00.00	1407250.00	1407250.00	000.96	0.05
REVENUE FOREGONE		117276.00	00.00	1407250.00	1407250.00	000.96	0.05

AYANDOLA MUNICIPALITY

Ref: V525/001062
Update Selections:
User: 024 AYANDOLA

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE (CURRENT YEAR)
Consolidation Type: F Level: 1 TOWN 00-99
Period: 30/06/2012 For The Month Ending: 31/06/2012
Form: 01 P0000LA
Dept: 01 ALL DEPARTMENTS

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Fund: 01 DELAYING & ALTERNATE FUNDS

Item Sub Description	Note No.	This Month Estimate	This Month Actual	This YTD Estimate	This YTD Actual	Percentage Utilized
TOTAL DIRECT OPERATING REVENUE		(10509081.00)	(20322984.81)	(124783979.00)	(124783979.00)	99.58
TOTAL OPERATING REVENUE		(10509081.00)	(20322984.81)	(124783979.00)	(124783979.00)	99.58
OPERATION REVENUE		(10509081.00)	(20322984.81)	(124783979.00)	(124783979.00)	99.58
SURPLUS / (DEFICIT) AFTER CROSS SUB & SHARE						
OPERATING SURPLUS / (DEFICIT) REVENUE - EXP						
TOTAL OPERATING EXPENDITURE						
TOTAL INDIRECT OPERATE EXPENDITURE						
TOTAL DIRECT OPERATING EXPENDITURE						
EMPLOYEE COSTS - WAGES & SALARIES						
7902 000 SALARIES		1843950.00	1413130.71	17745723.00	17745723.00	95.88
7903 000 BONUS		168049.00	81828.40	1791883.00	1791883.00	85.12
7904 000 OVERTIME		227902.00	307761.87	1779482.00	1779482.00	113.93
7905 000 SALARIES TEMPORARY		92815.00	11217.72	1415323.00	1415323.00	127.02
ALLOWANCES		210539.00	125427.45	2060160.00	2060160.00	96.94
ALLOWANCES						
7921 000 ALLOWANCE: ACTING		27632.00	22735.80	471927.00	471927.00	92.41
7923 000 ALLOWANCE: HOUSING SUBS IDV		1659.00	2610.00	10200.00	10200.00	246.43
7924 000 ALLOWANCE: STAND BY		20204.00	12107.83	130935.00	130935.00	100.33
7925 000 ALLOWANCE: VEHICLE SUBS IDV		157667.00	86215.78	1261355.00	1261355.00	92.83
7926 000 ALLOWANCE: HOUSING		359.00	-	147524.00	147524.00	-
7927 000 ALLOWANCE: CELLPHONE		2789.00	1758.04	33219.00	33219.00	66.61
EMPLOYEE COSTS - WAGES & SALARIES		2763226.00	1869368.25	25192576.00	25192576.00	96.12
EMPLOYEE COSTS - SOCIAL CONTRIBUTIONS						
7931 000 CONTRIBUTION: GROUP LIFE INSURANCE		7911.00	6012.36	114876.00	114876.00	56.01
7932 000 CONTRIBUTION: INDUST						

MPHONCULO MUNICIPALITY

Ref: 4525/001062

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE (CURRENT YEAR)

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Update Selections:

Consolidation Type: F Level: 1 Year: 20-29

User: 024 AMANDA

Period: 30/06/2012 For the month Ending: 31/06/2012

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Town: 01 PUNDSOLA

Dep: *** ALL DEPARTMENTS

Sec: ***

Fund: 01 DELISTING & ALLEGED FOMDS

Item Sub Description	Note No.	This Month Estimate	This Month Actual	This YTD Estimate	This Yr Total Estimate	This YTD Actual	Percentage Utilized
7933 000 CONTRIBUTION: MEDICAL AID		6100.00	1095.55	35173.00	35173.00	2100.50	61.71
7934 000 CONTRIBUTION: MEDICAL AID PENSIONERS		9750.00	7146.40	1032992.00	1032992.00	844114.85	81.76
7935 000 CONTRIBUTION: PENSION FUND		-	1140.19	-	-	141251.20	-
7935 000 CONTRIBUTION: PENSION FUND		154054.00	149651.92	1674868.00	1674868.00	1693501.72	101.11
7935 000 CONTRIBUTION: U.I.F.		20650.00	19201.01	199975.00	199975.00	207340.00	103.69
EMPLOYEE COSTS - SOCIAL CONTRIBUTIONS		205596.00	265724.35	5057804.00	5057804.00	2972000.21	97.21
REMUNERATION OF COUNCILLORS							
7981 000 ALLOWANCE: COUNCILLORS		335027.00	344005.00	4262691.00	4262691.00	419734.29	99.69
7982 000 ALLOWANCE: CELL PHONE		9005.00	26095.00	30420.00	30420.00	29808.00	98.11
7983 000 ALLOWANCE: TRAVELLING		123134.00	114648.52	1282100.00	1282100.00	1293361.00	100.87
REMUNERATION OF COUNCILLORS		467461.00	484748.52	5049470.00	5049470.00	5041993.55	99.87
PROVISION FOR BAD DEBT							
8001 000 BAD DEBTS		6122597.00	-	6122597.00	6122597.00	-	-
PROVISION FOR BAD DEBT		6122597.00	-	6122597.00	6122597.00	-	-
DEPRECIATION							
8051 000 DEPRECIATION		2209663.00	-	2209663.00	2209663.00	-	-
DEPRECIATION		2209663.00	-	2209663.00	2209663.00	-	-
REPAIRS & MAINTENANCE MUNICIPAL ASSETS							
8071 000 BUILDINGS		45453.00	37676.84	659321.00	659321.00	407500.57	61.85
8072 000 CEMETARY		500.00	-	7677.00	7677.00	-	-
8073 000 CLUSTERS		(9903.00)	-	17609.00	17609.00	-	-
8074 000 COMMUNITY SPORTS		1513.00	-	27031.00	27031.00	-	-
8075 000 DISTRIBUTION NETWORK		26742.00	30400.00	406157.00	406157.00	271019.49	66.92
8076 000 EQUIPMENT		20141.00	12596.88	317107.00	317107.00	39586.56	12.48
8077 000 EQUIPMENT CALIBRATION		(5012.00)	3500.00	25630.00	25630.00	6659.00	25.92
8078 000 EQUIPMENT COMPUTER		521.00	12795.00	139416.00	139416.00	71177.54	51.26
8079 000 EQUIPMENT FIRE EXTINGUISHER		2845.00	1492.00	43472.00	43472.00	42395.75	97.52
8080 000 EQUIPMENT SPEED TESTING		190.00	2200.00	2668.00	2668.00	2200.00	74.70
8081 000 FENCES		940.00	-	75342.00	75342.00	7303.34	9.70
8082 000 FURNITURE & EQUIPMENT		129.00	-	1914.00	1914.00	-	-
8083 000 LANDINGS STRIP		121.00	-	1012.00	1012.00	-	-
8084 000 MOTOR VEHICLES		72001.00	107131.54	858902.00	858902.00	758115.00	88.30

WYOMING MUNICIPALITY

Ref V525/001062
Update Selections:
User: 024 AYANDA

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE (CURRENT YEAR)
Consolidation Type: F Level: 1 TOWN 00-99
Date: 30/06/2012 For The Month Ending: 31/06/2012
Town: 01 PORTBLO
Dept: ALL DEPARTMENTS

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Fund: 01 BELASTING & ALGEMEEN FONDS

Sec: 01

Item Sub Description	Note No.	This Month Estimate	This Month Actual	This YTD Estimate	This Yr Total Estimate	This YTD Actual	Percentage Utilized
8085 000 POTHOLE REPAIRS		5417.00	11488.75	82222.00	82222.00	16419.34	92.93
8086 000 PUMP & PUMPSTATION		2990.00	-	45205.00	45205.00	-	-
8087 000 RADIOS		185.00	-	1534.00	1534.00	-	-
8088 000 ROAD SIGNS		15845.00	-	175688.00	175688.00	110038.24	62.66
8089 000 SIDEWALKS		975.00	3497.00	14820.00	14820.00	12093.52	81.60
8090 000 SITE MAINTENANCE		(3884.00)	-	84284.00	84284.00	1005.74	9.58
8091 000 STORM WATER		4534.00	19230.70	69281.00	69281.00	21072.54	30.41
8092 000 STREET LIGHTS		9137.00	3784.50	61613.00	61613.00	38299.90	62.14
8093 000 SUBSTATION TRANSFORMATIO N		59943.00	-	910017.00	910017.00	-	-
8094 000 UPGRADE COMPUTERS & NETW ORKS		(3800.00)	-	12545.00	12545.00	-	-
8095 000 ROADS		4003.00	-	61969.00	61969.00	-	-
8096 000 METERS ELECTRICAL		1050.00	-	16041.00	16041.00	16322.36	101.85
8097 000 STREET LIGHTS MONTSHANE		2210.00	-	33562.00	33562.00	-	-
REPAIRS & MAINTENANCE MUNICIPAL ASSETS		211185.00	244733.55	4142666.00	4142666.00	1905006.40	45.92
INTEREST EXPENSE -EXTERNAL BORROWINGS							
1301 000 INTEREST EXPENSE -EXTERN AL BORROWINGS		61258.00	-	733277.00	733277.00	113440.67	15.47
INTEREST EXPENSE -EXTERN AL BORROWINGS		61258.00	-	733277.00	733277.00	113440.67	15.47
REDEMPTION PAYMENTS EXTERNAL BORROWINGS							
1306 000 REDEMPTION PAYMENTS EXTERNAL BORROWINGS		7881.00	-	119636.00	119636.00	-	-
REDEMPTION PAYMENTS EXTERNAL BORROWINGS		7881.00	-	119636.00	119636.00	-	-
BULK PURCHASES							
0311 000 BULK PURCHASES: ELECTRICITY		1871422.00	1502176.13	15560839.00	15560839.00	14265722.47	91.67
BULK PURCHASES		1871422.00	1502176.13	15560839.00	15560839.00	14265722.47	91.67
CONTRACTED SERVICES							
0321 000 CONTRACTORS		847220.00	1292026.43	9281391.00	9281391.00	81460520.11	123.47
CONTRACTED SERVICES		847220.00	1292026.43	9281391.00	9281391.00	81460520.11	123.47
GENERAL EXPENSES - OTHER							

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CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE (CURRENT YEAR)

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Update Selections:

Consolidation Type: Annual

User: 024 AYANDA

Date: 30/06/2012 For the Month Ending: 31/06/2012

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Level: 01

Fund: 01 BELASTING & ALGEMEENE FONDEN

Dept: 000 ALGEMEENES

Sec: 000

Item Sub Description	Note No.	This Month Estimate	This Month Actual	This YTD Estimate	This Yr Total Estimate	This YTD Actual	Percentage Utilized
8401 000 ADVERTISING		3222.00	10077.00	379949.00	379949.00	511397.70	81.95
8402 000 AUDIT COMMITTEE		(22753.00)	-	503552.00	503552.00	9220.14	1.83
8403 000 AUDIT FEES		54027.00	943534.07	829739.00	829739.00	2219130.79	267.44
8404 000 BANK CHARGES		23662.00	18399.09	309091.00	309091.00	207279.39	66.98
8405 000 BANK CHARGES - INTEREST PAID		(4498.00)	-	-	-	-	-
8406 000 CASH IN TRANSIT		(1052.00)	3050.24	114496.00	114496.00	64760.99	56.56
7 000 CHARGES: ELECTRICITY		79973.00	(134234.91)	463132.00	463132.00	157915.50	34.09
8408 000 CHARGES: REFUSE		(34200.00)	542.45	34795.00	34795.00	12260.79	35.25
8409 000 CHARGES: SEWERAGE		1943.00	-	15754.00	15754.00	12093.63	76.76
8410 000 CHARGES: WATER		29060.00	-	181076.00	181076.00	220340.72	126.10
8411 000 CLEANING MATERIAL		66049.00	1463107.47	470400.00	470400.00	1653444.96	394.00
8413 000 COMMISSION ON COLLECTION FEES		100070.00	64034.00	640070.00	640070.00	702484.00	123.18
8414 000 COMMUNICATIONS STRATEGY		16731.00	-	162266.00	162266.00	95701.00	58.41
8415 000 CONNECTION FEES		2248.00	-	34106.00	34106.00	-	-
8416 000 CONSULTING FEES		133220.00	57543.00	1357725.00	1357725.00	1151539.69	84.81
8417 000 REFUSE BAGS		141202.00	-	532716.00	532716.00	27260.00	5.19
8418 000 TOWNSHIP REGISTER		6905.00	-	7170.00	7170.00	-	-
8419 000 DEEDS		(10181.00)	-	647.00	647.00	-	-
8420 000 DELEGATION ALLOWANCE		(2229.00)	-	7010.00	7010.00	-	-
8421 000 ELECTRICITY LINE LEVY		2534.00	-	33684.00	33684.00	-	-
8422 000 ENTERTAINMENT		(5240.00)	711.00	62691.00	62691.00	25570.10	40.65
8423 000 EVENTS & PROMOTION		164927.00	117875.25	1134071.00	1134071.00	853025.95	75.14
8424 000 FUEL & OIL		4445.00	(12429.75)	646532.00	646532.00	522955.96	79.75
8426 000 HIRE OF EQUIPMENT		57042.00	-	887473.00	887473.00	853303.65	96.15
7 000 IDP EXPENDITURE		(7205.00)	-	12035.00	12035.00	-	-
8429 000 INSURANCE		70099.00	123641.58	724321.00	724321.00	684705.04	94.50
8430 000 LEGAL COSTS		(3433.00)	3700.00	55671.00	55671.00	36536.00	65.63
8431 000 LEGAL FEES ON COLLECTION S		(20.00)	-	-	-	-	-
8432 000 LICENCES		1240.00	199504.30	65755.00	65755.00	232014.22	352.84
8433 000 LOST BOOKS		(450.00)	-	2677.00	2677.00	-	-
8434 000 MATERIALS		1790.00	-	20390.00	20390.00	17652.95	84.53
8435 000 MAYORAL FUND		157053.00	285771.54	1271004.00	1271004.00	1057861.51	83.23
8436 000 MEDICAL CHECK UP		715.00	-	4796.00	4796.00	-	-
8437 000 NAME TAGS		(120.00)	-	-	-	-	-
8438 000 ORDINANCE AMENDMENTS		502.00	-	8709.00	8709.00	-	-
8439 000 PAUPERS BURIAL		11066.00	11355.52	180176.00	180176.00	187223.36	103.91
8440 000 POLICIES REVISIONS		2520.00	-	30384.00	30384.00	-	-
8441 000 POSTAGE		2326.00	2095.00	44253.00	44253.00	29283.18	65.99
8442 000 PROTECTIVE CLOTHING		10158.00	-	154019.00	154019.00	190008.01	123.36
8443 000 RADIO LICENCES		234.00	-	3562.00	3562.00	-	-
8444 000 RENT EXPENSE		4174.00	-	39010.00	39010.00	19504.86	49.99
8445 000 RENTAL - COMPUTER / PHOTOCOPIER		79790.00	134067.22	650796.00	650796.00	660666.03	101.51
8446 000 SADS RETURNING		191.00	-	12076.00	12076.00	6455.50	53.37
8447 000 SECURITY SERVICES		6245.00	-	81293.00	81293.00	17714.55	21.79
8448 000 SERVICE PROVIDER		53.00	-	790.00	790.00	-	-
8449 000 SKILLS DEVELOPMENT LEVY		15467.00	61569.31	101594.00	101594.00	304963.36	299.92

POKONGOLA MUNICIPALITY

Ref: V525/001062

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE (CURRENT YEAR)

Page: 02

Update Selections:

Consolidation Type: F Level: 1 TOWN 00-99

User: 024 AYANDA

Dated: 30/06/2012 For the Month Ending: 31/06/2012

2012/07/26 19:31:20

Town: 01 POKONGOLA

Dept: "" ALL DEPARTMENTS

Sec: ""

Fund: "1 DELECTING & ALCOHOLIC FUNDS

Item Sub Description	Note No.	This Month Estimate	This Month Actual	This YTD Estimate	This Yr Total Estimate	This YTD Actual	Percentage Utilized
8450 000 STATIONARY & PRINTING		54719.00	37981.49	665082.00	665082.00	528382.67	79.35
8451 000 SUBSTANCE & TRAVELLING		230545.00	133286.96	1850540.00	1850540.00	1512323.54	81.73
8452 000 TELEPHONE		30570.00	13761.26	665568.00	665568.00	525158.84	78.75
8453 000 LEASING OF FLEET		(90121.00)	400000.00	669031.00	669031.00	476466.29	71.21
8454 000 TRAINING FEES		32375.00	(8341.65)	321134.00	321134.00	169587.58	52.49
8455 000 VALUATION ROLL		4775.00	-	72035.00	72035.00	628782.72	1137.89
8456 000 VEHICLE FINES		874.00	-	6068.00	6068.00	-	-
8457 000 VEHICLE LICENCES		16481.00	180.00	59075.00	59075.00	31593.19	53.47
8458 000 WARD UPLIFTMENT		40987.00	232195.50	539844.00	539844.00	349625.76	64.76
8459 000 WORKMENS COMPENSATION		8042.00	-	162314.00	162314.00	-	-
8460 000 YOUTH COUNCIL		402.00	-	6191.00	6191.00	-	-
8461 000 BUILDING INSPECTION		856.00	-	13597.00	13597.00	-	-
8462 000 SUBSCRIPTION		13470.00	-	285931.00	285931.00	137500.00	47.71
8463 000 SITE INSURANCE		365.00	-	5524.00	5524.00	-	-
8464 000 PROFESSIONAL FEES		67919.00	-	778945.00	778945.00	1658367.72	132.09
8465 000 ACCOMMODATION EXPENSES		18350.00	13521.25	107722.00	107722.00	112047.12	104.01
8467 000 INDIGENT RELIEF-FBS		237270.00	307237.29	2520850.00	2520850.00	2651983.44	105.19
8468 000 CHARGES- PROPERTY RATES		4160.00	-	21472.00	21472.00	10736.00	50.00
8469 000 SHARED SERVICE DPSS		25000.00	-	186982.00	186982.00	257.87	0.35
8473 000 TRANSPORT COSTS		-	-	-	-	2055.00	-
GENERAL EXPENSES - OTHER		1929050.00	3487868.27	21448716.00	21448716.00	21277860.00	99.20
CONTRIBUTION TO/FROM PROVISIONS							
8902 000 CONTR TO PROVISION LEAVE		7335.00	-	117010.00	117010.00	-	-
8905 000 CONTR TO PROVISION LAMFI							
LL SITE		28725.00	-	1124696.00	1124696.00	-	-
8907 000 CONTRIBUTION TO CRR							
CAPITAL FROM REVENUE		5487760.00	-	27058800.00	27058800.00	-	-
CONTRIBUTION TO/FROM PROVISIONS		5514020.00	-	28536514.00	28536514.00	-	-
TOTAL DIRECT OPERATING EXPENDITURE		13290124.00	9146716.31	122062238.00	122062238.00	82053916.39	67.22
TOTAL INDIRECT OPERATE EXPENDITURE		13290124.00	9146716.31	122062238.00	122062238.00	82053916.39	67.22
TOTAL OPERATING EXPENDITURE		13290124.00	9146716.31	122062238.00	122062238.00	82053916.39	67.22
OPERATING SURPLUS / (DEFICIT) REVENUE - EXP		13290124.00	9146716.31	122062238.00	122062238.00	82053916.39	67.22

PHONGOLA MUNICIPALITY

Ref: 4525/001062

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE (CURRENT YEAR)

Page: 1

Update Selections:

Consolidation Type: F L=01 A 1000 00-99

User: 024 AYANDA

Date: 30/06/2012 For The Month Ending: 30/06/2012

2012/07/26 19:31:20

Town: 01 PHONGOLA

Fund: "1 BELASTING & ALGEMEENE FONDS

Rep: "00 ALL DEPARTMENTS

Rep: "00

Item Sub Description	Note No.	This Month Estimate	This Month Actual	This YTD Estimate	This YTD Actual	Percentage Utilized
<hr/>						
SURPLUS / (DEFICIT) AFTER GROSS SUB & SHARE ASS		13290014.00	914416.31	122062238.00	82053916.39	67.22
<hr/>						
OPERATION EXPENDITURE		13280124.00	914416.31	122062238.00	82053916.39	67.22
<hr/>						
		2771045.00	(11176268.50)	(2721741.00)	(42213437.56)	1550.97
<hr/>						
ALL DEPARTMENTS		2771045.00	(11176268.50)	(2721741.00)	(42213437.56)	1550.97
<hr/>						
BELASTING & ALGEMEENE FONDS		2771045.00	(11176268.50)	(2721741.00)	(42213437.56)	1550.97
<hr/>						
PHONGOLA		2771045.00	(11176268.50)	(2721741.00)	(42213437.56)	1550.97
<hr/>						
OVERALL TOTAL:		2771045.00	(11176268.50)	(2721741.00)	(42213437.56)	1550.97

ANNEXURE C

CONSOLIDATED ANNUAL FINANCIAL STATEMENT



uPhongolo Municipality
Annual Financial Statements
for the year ended June 30, 2012

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

General Information

Nature of business and principal activities	Provision of municipal services to the community of uPhongolo
Chief Finance Officer (CFO)	Bongani Ngobese (Acting CFO)
Accounting Officer	M.E Zondo
Business address	Municipal Office 61 Martin Street Pongola 3170
Postal address	P.O. Box 191 Pongola 3170
Bankers	First National Bank of South Africa ABSA

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Index

The reports and statements set out below comprise the annual financial statements presented to the uPhongolo Municipal Council:

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Accounting Officer's Responsibilities and Approval	3
Statement of Financial Position	4
Statement of Financial Performance	5
Statement of Changes in Net Assets	6
Cash Flow Statement	7
Accounting Policies	8 - 19
Notes to the Annual Financial Statements	20 - 45
Appendixes:	
Appendix A: Schedule of External loans	

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and are given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with South African Statements of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

I certify that the salaries, allowances, and benefits of Councillors, as disclosed in note 24 of these financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Office Bearers Act and the Minister of Cooperative Governance and Traditional Affairs determined in accordance with this Act.

The annual financial statements set out on pages 4 to 45, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2012 and were signed on its behalf by:



Accounting Officer

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Statement of Financial Position

Figures in Rand	Notes	2012	2011 Restated
Assets			
Current Assets			
Inventories	9	133,347	216,223
Trade and other receivables	10	2,639,802	1,406,951
Consumer debtors	11	4,749,209	18,744,354
Assets held for sale	8	8,980,000	10,330,000
Cash and cash equivalents	12	16,175,298	15,408,694
		32,677,656	46,106,222
Non-Current Assets			
Investment property	2	88,094,749	88,094,749
Property, plant and equipment	3	103,760,578	68,609,261
Intangible assets	4	126,970	102,041
Loans and receivables	5	-	3,262,979
		191,982,297	160,069,030
Total Assets		224,659,953	206,175,252
Liabilities			
Current Liabilities			
Instalment sale obligation	13	1,405,241	-
Trade and other payables	17	20,880,604	13,729,549
VAT payable		4,528,808	5,986,726
Unspent conditional grants and receipts	14	7,472,241	14,783,742
Current portion of external loans	16	1,059,097	1,005,631
		35,345,991	35,505,648
Non-Current Liabilities			
Instalment sale obligation	13	2,576,274	-
Retirement benefit obligation	6	2,530,143	2,403,344
Provisions	15	1,926,750	1,835,000
Long term portion of external loans	16	2,430,134	3,213,085
Revenue received in advance - Land sales		1,947,377	1,648,106
		11,410,678	9,099,535
Total Liabilities		46,756,669	44,605,183
Net Assets		177,903,284	161,570,069
Net Assets			
Accumulated surplus		177,903,284	161,570,069

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Statement of Financial Performance

Figures in Rand	Note(s)	2012	2011 Restated
Revenue			
Property rates		10,952,387	10,254,547
Service charges	19	23,233,567	19,444,256
Rental of facilities and equipment		415,521	437,123
Penalty Interest received- property rates		2,797,003	3,212,122
Public contributions and donations		-	40,364
Licences and permits		3,162,865	2,985,530
Government grants & subsidies	20	82,224,388	55,504,922
Fees earned		115,573	131,851
Sundry income		544,529	307,925
Interest received from external investments	26	1,068,721	909,411
Total Revenue		124,514,554	93,228,051
Expenditure			
Employee Related Cost	23	(29,409,264)	(26,648,650)
Remuneration of councillors	24	(4,548,632)	(4,219,738)
Depreciation and amortisation	27	(2,973,961)	(2,717,995)
Finance costs	28	(752,118)	(399,118)
Debt impairment	25	(24,526,197)	(17,559,625)
Repairs and maintenance		(1,197,597)	(1,819,841)
Contracted services		(6,470,503)	(7,773,387)
General Expenses	21	(36,191,756)	(29,722,687)
Total Expenditure		(106,370,028)	(90,861,041)
Loss on disposal of fixed assets		(1,333,000)	(1,829,867)
Fair value adjustments		16,610	2,397,000
Surplus for the year		17,128,136	2,934,143

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	158,218,428	158,218,428
Adjustments		
Prior year adjustments	3,249,193	3,249,193
Restated balance at 30 June 2010	161,467,621	161,467,621
Changes in net assets		
Reversal of prior years PAYE liability	334,197	334,197
Net income (losses) recognised directly in net assets	334,197	334,197
Surplus for the year	2,934,143	2,934,143
Total recognised income and expenses for the year	3,268,340	3,268,340
Adjustments to loan expenses	89,508	89,508
Adjustments to rent expenses	28,639	28,639
Adjustments to post retirement benefits	105,726	105,726
Properties sold in prior periods	(2,212,857)	(2,212,857)
Abacus opening balance adjustments	121,796	121,796
Intangible assets adjustment	1,383	1,383
Other adjustments	157,835	157,835
Write off of accounts with no movement	(1,227,989)	(1,227,989)
Correction of prior period's depreciation	54,489	54,489
Reversal of prior cheques	25,693	25,693
Debtors account subsequently not written off	300	300
Asset adjustment	(310,415)	(310,415)
Total changes	102,448	102,448
Opening balance as previously reported	159,656,456	159,656,456
Adjustments		
Prior year adjustments (Refer to note 33)	1,913,613	1,913,613
Restated balance at 30 June 2011	161,570,069	161,570,069
Changes in net assets		
Corrections of error adjustment	(794,921)	(794,921)
Net income (losses) recognised directly in net assets	(794,921)	(794,921)
Surplus for the year	17,128,136	17,128,136
Total recognised income and expenses for the year	16,333,215	16,333,215
Total changes	16,333,215	16,333,215
Balance at 30 June 2012	177,903,284	177,903,284

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Cash Flow Statement

Figures in Rand	Note(s)	2012	2011
Cash flows from operating activities			
Receipts			
Sale of goods and services		37,882,366	33,569,506
Grants		82,224,388	55,504,922
Interest income		3,865,724	4,139,895
		123,972,478	93,214,323
Payments			
Employee costs		(34,067,903)	-
Suppliers		(57,140,637)	(63,497,438)
Finance costs		(752,118)	(399,118)
		(91,960,658)	(63,896,556)
Net cash flows from operating activities	30	32,011,820	29,317,767
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(38,009,439)	(18,053,543)
Proceeds from sale of investment property	2	(1,350,000)	846,133
Purchase of other intangible assets	4	(67,057)	(29,690)
Capitalised development costs	4	-	889
Movement in Housing debtors		3,262,979	-
Donated assets		17,000	(230,000)
Purchase of assets held for sale		-	(220,000)
Proceeds from sale of assets held for sale		1,350,000	-
Net cash flows from investing activities		(34,796,517)	(17,686,211)
Cash flows from financing activities			
Repayment of eskom liability		-	(832,484)
Movement in long term portion of external loans		(729,485)	(709,999)
Movement in revenue received in advance - land sales		299,271	1,815,346
Finance lease payments		3,981,515	-
Net cash flows from financing activities		3,551,301	272,863
Net increase/(decrease) in cash and cash equivalents		766,604	11,904,419
Cash and cash equivalents at the beginning of the year		15,408,694	3,504,275
Cash and cash equivalents at the end of the year	12	16,175,298	15,408,694

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise. They are presented in South African Rand.

Accounting policies for material transactions, events or conditions not covered by the above GRAP standards have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (SA GAAP) including any interpretations of such statements issued by the Accounting Standards Board.

The Minister of Finance has in terms of Government Gazette 31021 dated 9 May 2008, promulgated the implementation of the new GRAP standards with effect from 1 July 2008. These GRAP standards replace the current GAMAP Standards. The Financial Statements is compiled according to the new GRAP standards.

In terms of Section 89 (1)(b) of the PFMA, the Accounting Standards Board issued directive 3 to set the transitional provisions and arrangement for high capacity municipalities to comply with the standards of GRAP. This directive is read in conjunction with the relevant standard(s) of GRAP and are applied on or after the effective date of the applicable standard(s) of GRAP

Effective accounting standards that are applied considering the provisions in paragraphs .20 to .26 of the directive: IFRS 7 (AC 144) - Financial Instruments: Disclosure, IAS 19 (AC 116) - Employee benefits, IAS 32 (AC 125) - Financial Instruments: Presentation, IAS 36 (AC 128) - Impairment of Assets, IAS 39 (AC133) - Financial Instruments: Recognition and Measurement

A summary of the significant accounting policies, which have been consistently applied to all the years presented, are disclosed below.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the post retirement benefits.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.2 Investment property

Investment property is property (land or a building or part of a building or both) held to earn rentals or capital appreciation is stated at cost less accumulated depreciation. Where an investment property is acquired at no cost, or for a nominal cost, its cost is recognised at its fair value as at the date of acquisition. Investment properties are written down for impairment where considered necessary.

Depreciation is calculated on cost, using the straight-line method over the useful life of the property .

Accounting Policies

1.3 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Accounting Policies

1.3 Property, plant and equipment (continued)

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Major spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period.

The decrease is debited in revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

An item of property, plant and equipment which qualifies for recognition as an asset shall initially be measured at cost. Property, plant and equipment is stated at cost, less accumulated depreciation and impairment losses. Such assets are financed either by external loans, capital replacement reserve, government grants, or contributions and donations.

The cost of an item of property, plant and equipment acquired in exchange for a nonmonetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.

Where an item of property, plant and equipment is acquired at no cost, (grant of donation) it is initially recognised at its fair value as at the date of inception.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Where the municipality replaces parts of an asset it derecognises the part of the asset being replaced and capitalises the new component.

Assets under construction are stated at cost and only depreciated when the asset is commissioned into its intended use. Subsequent expenditure is capitalised when the recognition and measurement criteria of an asset is met. If expenditure only restores the originally best estimate of the expected useful life of the asset, then it is regarded as repairs and maintenance and is expensed.

Residual value

The residual value of an asset is determined as the estimate amount that could currently be obtained from the disposal of the asset. The residual values of assets are reviewed at each financial year end.

Depreciation

Depreciation is calculated at cost, using the straight-line method over the estimated useful lives of the asset. Property, plant and equipment that have significant residual values are subtracted from the cost of these property, plant and equipment items to determine the depreciable amounts of these items. Assets will be depreciated according to their annual depreciation rates based on the following estimated useful lives:

Item

Average useful life

Accounting Policies

1.3 Property, plant and equipment (continued)

Land	Indefinite
Buildings	30 years
Plant and machinery	5 years
Furniture and fixtures	1 - 5 years
Motor vehicles	5 years
Office equipment	5 years
IT equipment	5 years
Infrastructure	
• Roads	20 years
• Electricity	20 - 30 years
• Solid Waste	0 years
Community	
• Buildings	30 years
• Recreational facilities	20 - 30 years
• Security	5 years
Other property, plant and equipment	20 - 30 years
Tools and loose gear	1 - 5 years

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Land is not depreciated as it is regarded as having an infinite life.

The useful life or depreciation method for items of property, plant and equipment are reviewed at each reporting date. A review in the useful life is accounted for as a change in accounting estimate.

Impairment

Property, Plant and Equipment are reviewed at each reporting date for any indication of impairment. If such impairment exists, the carrying value is adjusted by the impairment loss which is recognised as an expense in the Statement of Financial Performance in the period that the impairment is identified.

Heritage assets

These assets are defined as culturally significant resources and are not depreciated as they are regarded as having an infinite life and are shown at cost.

Disposal of property, plant and equipment

Assets are written off on disposal. The difference between the net book value of assets (cost less accumulated depreciation) and the sale proceeds is reflected as a gain or loss in the Statement of Financial Performance.

1.4 Intangible assets

After initial recognition, an intangible asset is carried at its cost less any accumulated impairment losses and amortisation. Amortisation is charged on a straight-line basis over their useful life which is estimated to be between 3 and 5 years. The useful life of an intangible asset is the period over which that asset is expected to be available for use of by the municipality. Where intangible assets are deemed to have an indefinite useful life, such intangible assets are not amortised, but are tested for impairment annually and impaired if necessary.

Where items of intangible assets have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation.

The estimated useful life and amortisation methods are reviewed annually at the end of the financial year. Any adjustments arising from the annual review are applied prospectively.

Intangible assets are recognised at cost. Cost is defined as the amount of cash or cash equivalents paid or the fair value of the other considerations given to acquire the asset at the time of its acquisition or construction. Only cost incurred on computer software and websites that meet the definition of an intangible asset are recognised.

Accounting Policies

1.5 Financial instruments

Classification

Financial instruments are recognised when the municipality becomes a party to the contractual provision of the instrument.

Financial assets are derecognised when the rights to receive cash from the assets have expired or have been transferred, and the municipality has transferred substantially all risks and rewards of ownership or when it loses control of contractual rights that compromise the asset.

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired.

Financial instruments are measured at cost in the current and prior financial years.

The municipality has various types of financial instruments and these can be categorized as either financial assets or liabilities.

A financial asset is any asset that is cash or a contractual right to receive cash and are classified into the following categories depending on the purpose for which the financial asset is acquired:

Held to maturity investments

Investments held to maturity are financial assets with fixed or determinable payments and fixed maturity, where the municipality has the positive intent and ability to hold the investment to maturity. This include fixed deposits and short term deposits invested at registered banks and are stated at cost. Where investments have been impaired, the carrying value is adjusted by the impairment loss and is recognised as an expense in the period that the impairment is identified.

Loans and receivables

Loans and receivables are financial assets that are created by providing money, goods or services directly to a debtor with fixed or determinable payments. They are included in current assets, except for maturities in excess of 12 months which are classified as non-current assets.

Loans and receivables are classified as "long term receivables" in the Statement of Financial Position. Loans and receivables are recognised at cost which represents the fair value. After initial recognition financial assets are measured at amortised cost using the effective interest rate.

Available for sale

Available-for-sale financial asset are financial assets that are designated as available for sale and are subsequently measured at fair value except for those which the fair value cannot be reliably measured of which shall then be measured at cost.

Trade and other receivables

Accounts receivable are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. Bad debts are written off during the year in which they are identified.

Provision for bad debts is made on an annual basis. The amount to be provided will be determine by analysing the payment level trends and expensing an amount for non-payment as contribution to the bad debt provision though the Statement of Financial Performance.

Significant financial difficulties of the debtor and default or delinquency in payments or all debt outstanding for more than 120 days are considered indicators that the accounts receivable are impaired. When an under recovery occurs during the financial year an additional contribution for impairment is made at year-end.

Trade and other payables

Trade creditors are recognise at cost price.

Cash and cash equivalents

Accounting Policies

1.5 Financial instruments (continued)

Cash includes cash on hand and cash with banks. Cash equivalents are short-term investments that are held with registered banking institutions with maturities of 32 days or daily calls.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts. Bank overdrafts are recorded on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

Financial liabilities and equity instruments

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity. Financial liabilities including trade and other payables, long term liabilities and other non-current liabilities. Financial liabilities are measured at fair value.

1.6 Leases

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.7 Inventories

Inventory consist of raw materials, work in progress, consumables and finished goods which are valued at the lower of costs determined on the weighted average basis or lower net realisable value.

The cost of inventories comprises of all costs of purchase, costs of development, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Redundant, damaged and slow-moving inventories are identified and written down with regard to their estimated net realisable values and are sold by public auction. Consumables are written down with regard to their age, condition and utility.

Unsold properties are valued at the lower of cost or net realisable value on a specific identification basis. Direct costs are accumulated for each separately identifiable development.

Water and purified effluent are valued at purified cost insofar it is controlled in reservoirs and distribution networks at year end.

1.8 Impairment of cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets held with the primary objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Accounting Policies

1.8 Impairment of cash-generating assets (continued)

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the municipality; or
- (b) the number of production or similar units expected to be obtained from the asset by the municipality.

1.9 Employee benefits

Retirements funds

The municipality contributes towards retirement benefits of its employees and councillors to the under-mentioned pension funds:

- Joint Municipal pension Fund
- Municipal employees Pension Fund
- Municipal Gratuity Fund
- SALA Pension Fund

Councillors are members of the Municipal Councillor's Pension Fund that was established in terms of the Remuneration of Public Office Bearers Act 1998 (Act 20 of 1998).

Defined contribution plans

Obligations for contributions to defined contribution plans are recognised as an expense in the income statement as incurred.

Contributions to the defined contribution pension plan in respect of service in a particular period are included in the employees' total cost of employment and are charged to the statement of financial performance in the year to which they relate as part of cost of employment.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Post employment medical care benefits

The municipality provides post retirement medical care benefits by subsidising the medical aid contributions to retired employees and their legitimate spouses. The entitlement to post-retirement medical benefits is based on employees remaining in service up to retirement age and the completion of a minimum service period. The expected cost, of these benefits is accrued over the period of employment.

Post employment medical care benefits are accounted for in accordance with the transitional arrangements in directive 3 as issued by the ASB.

1.10 Revenue recognition

Revenue is the gross inflows of economic benefits or service potential during the reporting period when those inflows result in increase in net assets. Revenue for the current and prior financial year was initially recognised at cost.

When the outcome of a transaction can be estimated reliably relating to the rendering of a service, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the reporting date.

The outcome of the transaction can be measured reliably when all of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits or services potential associated with the transaction will flow to the entity;
- The stage of completion of the transaction at the reporting date can be measured reliably; and
- The cost incurred for the transaction and the cost to complete the transaction can be measured reliably.

This principle also applies to tariffs or charges and is recognised when the relevant service is rendered by applying the relevant gazetted tariff.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses that are recoverable.

Revenue from the sale of goods shall be recognised when all the following conditions have been satisfied:

Accounting Policies

1.10 Revenue recognition (continued)

- The municipality has transferred to the purchaser the significant risks and rewards of ownership of goods;
- The municipality retains neither continuing managerial involvement to the degree associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

Accounting Policies

1.10 Revenue recognition (continued)

Finance income from housing sold by way of instalment sales agreements is recognised on a time proportion basis. Revenue from the sale of erven is recognised when all conditions associated with the deed of sale have been met. Revenue in respect of housing, rental and instalments is accrued in terms of the agreement.

Rates, including collection charges and penalties interest

Revenue from rates including collection charges and penalty interest, is recognised when the legal entitlement to the revenue arises. Collection charges are recognised when such amounts are legally enforceable.

Assessment rates are levied on the market value of properties and rebates are granted according to the usage of a particular property in accordance with the property rates policy. Adjustments or interim rates are recognised once the municipal valuer has valued the change to properties.

Fines

Revenue from fines is recognised when payment is received and the revenue from the issuing of summonses is recognised when collected by the courts.

Service charges

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumptions are made monthly when meter readings have not been performed and are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read.

Revenue from the sale of electricity prepaid meter credit is recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage and are levied monthly based on the number of refuse containers on each property, regardless of whether or not containers are emptied during the month. Service charges from sewerage and sanitation are based on the number of sewerage connections on each developed property using the tariffs approved from Council and are levied monthly.

Conditional grants and receipts

Government Grants can be in the form of grants to acquire or construct fixed assets, grants for the furtherance of national and provincial government policy objectives and general grants to subsidise the cost incurred by municipalities rendering services.

Capital grants and general grants for the furtherance of government policy objectives are usually restricted revenue in that stipulations are imposed in their use.

Revenue from government grants are recognised on a cash receipt basis to the extent the conditions of the grants are met. Where government grants have been received but the conditions were not met, a liability is recognized.

Other grants and donations received

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment and are brought into use.

Revenue from public contributions is recognised when all conditions have been met or where the contribution to property, plant and equipment is recognised when such items of property, plant and equipment are brought into use.

Where public contributions have been received but the conditions were not met, a liability is recognised.

Interest, royalties, and other

Interest on investments is recognised on a time proportionate basis that takes into account the effective yield on the asset; Royalties is recognised as they are earned in accordance with the substance of the relevant agreement;

Revenue for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The revenue recognised is in terms of the agency agreement.

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Accounting Policies

1.10 Revenue recognition (continued)

Collection charges are recognised when such amounts are incurred.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain. Revenue from the recovery of unauthorised irregular, fruitless and wasteful expenditure is based on legislated procedures

1.11 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.12 Borrowing costs

Borrowing costs are recognised as an expense in the Statement of Financial Performance.

Borrowing costs are only capitalised against qualifying assets as part of property, plant and equipment when the net costs constitutes an expense. Such borrowing costs are capitalised over the period during which the asset is being acquired or constructed and borrowing have incurred capitalisation leases when construction of the asset is completed.

1.13 Provision

Provisions are recognised when the municipality has a present or constructive obligation, as a result of past events, that is probable to cause an outflow of resources embodying economic benefits required to settle the obligation and a reliable estimate of the provision can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Those estimated to be settled within the next twelve months are treated as current liabilities.

The landfill Rehabilitation Provision is created for the rehabilitation of the current operational sites at the future estimated time of closure.

Liabilities for annual leave are recognised as they accrue for employees. The liability is raised according to the total accrued leave at year-end regardless how the obligation will be settled at the future date.

Provision for long service awards is raised according to employee's years in service at yearend.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality. Contingent assets are not recognised as assets.

1.14 Comparative figures

Current year comparatives

Budgeted amounts have been included in the Annual Financial Statements for the Annual Financial Year only (See Appendix E and F).

Prior year comparatives

When the presentation or classification of items in the Annual Financial Statements are amended, prior period comparative amounts are reclassified either on the face of the financial statements or in the notes. The nature and reason for reclassification is disclosed.

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Accounting Policies

1.15 Unauthorised expenditure

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act 56 of 2003).

Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.16 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.17 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No.20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.18 Presentation of currency

These annual financial statements are presented in South African Rand.

1.19 Offsetting

Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

1.20 Consumer deposit

Consumer deposits are a partial security for a future payment of an account. All consumers are therefore required to pay a deposit equal to two months consumption of electricity and water services. Deposits are considered a liability as the deposit is only refunded once the service is terminated. No interest is paid on deposits.

1.21 Grants-In-Aid

The municipality transfers money to individual organisations and other sectors of government when making these transfers. The entity does not:

- receive any goods or services directly in return as would be expected in a purchase or sale transaction.
- expect to be paid in future; or
- expect a financial return as would be expected from an investment.

These transfers are recognised in the Statement of Financial Performance as expenses in the period in which the events giving rise to the transfer occur.

1.22 Events after balance sheet date

Recognised amounts in the financial statements are adjusted to reflect events arising after the balance sheet date that provide evidence of conditions that existed at the balance sheet date. Events after the balance sheet date that are indicative of conditions that arose after the balance sheet date are dealt with by way of a note to the financial statements.

1.23 Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Accounting Policies

1.24 Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality. Contingent assets are not recognised as assets.

1.25 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised as liabilities

1.26 Value added tax

The municipality accounts for Value Added Tax on the payment basis.

1.27 Taxation

The uPhongolo Local Municipality is exempted from tax in terms of Section 10(1)cB(i)(ff) of the Income Tax Act.

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
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2. Investment property

	2012			2011		
	Cost / Valuation	Accumulated impairment	Carrying value	Cost / Valuation	Accumulated impairment	Carrying value
Investment property	88,094,749	-	88,094,749	88,094,749	-	88,094,749

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

2. Investment property (continued)

Reconciliation of investment property - 2012

Investment property	Opening balance	Total
	88,094,749	88,094,749

Fair value investment properties

88,106,693

Reconciliation of investment property - 2011

Investment property	Opening balance	Additions	Reclassification	Correction of error-Adjustments	Disposals	Transfers	Fair value adjustments	Total
	96,854,727	67,022	(7,940,000)	2,000	(2,446,000)	(840,000)	2,397,000	88,094,749
Fair value of investment properties				-				88,106,693

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

3. Property, plant and equipment

	2012			2011		
	Cost / Valuation	Accumulated depreciation and impairment	Carrying value	Cost / Valuation	Accumulated depreciation and impairment	Carrying value
Land						
Buildings	8,715,919	-	8,715,919	8,715,919	-	8,715,919
Plant and machinery	12,844,057	(5,837,224)	7,006,833	12,834,811	(5,397,306)	7,437,505
Furniture and fixtures	6,149,532	(1,236,256)	4,913,276	2,207,738	(926,108)	1,281,630
Motor vehicles	2,421,178	(1,546,934)	874,244	2,363,480	(1,250,175)	1,113,305
IT equipment	2,172,829	(796,471)	1,376,358	1,165,494	(646,604)	518,890
Infrastructure	844,984	(561,086)	283,898	809,346	(442,874)	366,472
Capital work in progress	63,119,525	(9,126,967)	53,992,558	53,617,824	(7,567,141)	46,050,683
Tools and loose gear	26,519,932	-	26,519,932	3,047,297	-	3,047,297
Heritage	-	-	-	(1)	-	-
Total	77,560	-	77,560	77,560	-	77,560
	122,865,516	(19,104,938)	103,760,578	84,839,468	(16,230,207)	68,609,261
Reconciliation of property, plant and equipment - 2012						
Land						
Buildings	Opening balance	Additions	Transfers	Fair value adjustments	Depreciation	Total
Plant and machinery	8,715,919	-	9,246	-	(439,918)	8,715,919
Furniture and fixtures	7,437,505	-	-	1,113	(310,148)	7,006,833
Motor vehicles	1,281,630	3,940,681	-	15,497	(296,760)	4,913,276
IT equipment	1,113,305	42,202	-	-	(149,866)	874,244
Infrastructure	518,890	1,007,334	-	-	(118,214)	1,376,358
Capital work in progress	366,472	35,640	-	-	(1,559,826)	283,898
Heritage	46,050,683	-	9,501,701	-	-	53,992,558
	3,047,297	32,983,582	(9,510,947)	-	-	26,519,932
	77,560	-	-	-	-	77,560
	68,609,261	38,009,439	-	16,610	(2,874,732)	103,760,578
Reconciliation of property, plant and equipment - 2011						

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

3. Property, plant and equipment (continued)

	Opening balance	Additions	Reclassification	Correction of errors	Transfers	Backlog Depreciation	Depreciation	Total
Land	2,491,739	-	6,224,180	-	-	-	-	8,715,919
Buildings	7,333,037	-	2,999,451	1	-	(2,457,644)	(437,340)	7,437,505
Plant and machinery	4,265	165,072	1,080,560	-	-	229,242	(197,509)	1,281,630
Furniture and fixtures	193,596	103,801	734,777	(110)	-	372,880	(291,639)	1,113,305
Motor vehicles	169,165	-	30,382	-	-	425,231	(105,888)	518,890
Office equipment	96,766	-	(96,766)	-	-	-	-	-
IT equipment	335,305	64,677	(41,856)	(8,086)	-	123,970	(107,538)	366,472
Infrastructure	35,489,045	114,917	(960,242)	1,740,613	10,088,725	868,096	(1,290,471)	46,050,683
Community	163,936	-	(163,936)	-	-	-	-	-
Capital work in progress	-	8,124,224	-	5,011,798	(10,088,725)	-	-	3,047,297
Tools and loose gear	148,261	-	(148,261)	-	-	-	-	-
Heritage	-	-	2,430	-	-	75,130	-	77,560
Other property, plant and equipment	183,726	-	(179,867)	(3,859)	-	-	-	-
	46,608,841	8,572,691	9,480,852	6,740,357	-	(363,095)	(2,430,385)	68,609,261

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand

	2012	2011
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4. Intangible assets

	2012			2011		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	277,783	(150,813)	126,970	210,726	(108,685)	102,041

Reconciliation of intangible assets - 2012

	Opening balance	Additions	Depreciation	Total
Computer software, other	102,041	67,057	(42,128)	126,970

Reconciliation of intangible assets - 2011

	Opening balance	Additions	Correction of error	Backlog depreciation	Amortisation	Total
Computer software, other	42,849	29,691	13,296	41,474	(25,269)	102,041

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
5. Loans and receivables		
Loans and receivables		
KZN Housing debtors	3,262,979	3,262,979
	3,262,979	3,262,979
KZN Housing debtors (impairments)	(3,262,979)	-
	-	3,262,979

Non-current assets

KZN Housing debtors	-	3,262,979
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The expenditure was incurred to complete Ncotshane housing project, when the Department of Human Settlement ceased to fund the project. Various attempts to recover the expenditure incurred by the municipality from the Department of Human Settlement have failed. As the recoverability of the debt can not be assessed with reasonable accuracy, it has been resolved that the debt is impaired and has to be provided for in full.

6. Employee benefit obligations

Defined benefit plan

Defined Benefit Obligation

Opening Balance	254,963	201,758
Service Cost	38,067	27,833
Interest Cost	21,672	17,989
Actuarial (Gains/Loss)	(68,938)	11,144
Benefits Paid	-	(3,761)
Closing Balance	245,764	254,963

The amounts recognised in the Statement of Financial Position

Projected Benefit Obligation	245,764	254,963
Plan Asset	-	1
Amount recognised in statement of position	245,764	254,964

Amount recognised in profit and loss

Service cost	38,067	27,833
Interest Cost	21,672	17,989
Actuarial loss/(gain) recognised	(68,938)	11,144
	(9,199)	56,966

Reconciliation of net statement of financial position

Opening value	254,963	201,758
Amount recognised financial performance	(9,199)	56,965
Payment made to pensioners	-	(3,761)
Closing value	245,764	254,962

Key assumption

Discount rate	8.50%	7.50%
Salary inflation	6.50%	6.00%

Post employment medical benefit

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
6. Employee benefit obligations (continued)		
Defined benefit obligation		
Opening Balance	2,148,381	1,107,136
Interest Cost	177,067	95,886
Actuarial (Gain)/Loss	89,412	1,028,822
Benefits Paid	(130,481)	(83,464)
Closing Balance	2,284,379	2,148,380
Amount recognised in statement of financial position		
Projected benefit obligation	2,284,378	2,148,381
Plan assets	-	1
Amount recognised in statement of financial position	2,284,378	2,148,382
Amount recognised in profit and loss		
Interest cost	177,067	95,886
Actuarial loss/(Gain) recognised	89,412	1,028,822
Amount recognised statement of financial performance	266,479	1,124,708
Reconciliation of net financial position amount		
Opening value	2,148,381	1,107,136
Amount recognised in statement of financial performance	266,479	1,124,708
Payment made to pensioners	(130,481)	(83,464)
Closing Value	2,284,379	2,148,380
Key assumption		
Discount rate	8.50%	7.50%
Medical aid inflation	7.50%	6.50%
Sensitivity to medical inflation assumption		
1% increase in medical inflation		
Increase in defined benefit obligation	290801	315487
Percentage	13.5%	13.8%
Increase in service cost and interest cost	24,691	23,635
Percentage	13.9%	14.2%
1% decrease in medical inflation		
Decrease in defined benefit obligation	(239,976)	(260,706)
Percentage	-11.2%	-11.4%
Decrease in service cost and interest cost	(20,371)	(19,527)
Percentage	-11.5%	-11.8%
Analysis of actuarial gain and losse		
Actuarial(gain)/loss on obligation	1,028,822	89,412
Experience adjustments	1,028,822	89,412
% of liabilities	47.89%	3.91%
7. Assets in construction		
Electrical of Altna & Orinjedal	1,846,246	-
Electrification of Pongola	300,840	-
Electrification of Sibiyagenkomo & Emanyadeni	809,184	-
Flea market project	800,803	-
MIG Access Roads	10,035,767	2,652,560
uPhongolo eletrification	1,917,044	-
Council chambers & Offices	82,662	-
Emanyadeni ward 6 connections	6,346,162	-
Integrated electrification programme	4,381,224	394,737
	26,519,932	3,047,297

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
8. Assets held for sale		
Properties held for sale	8,980,000	10,330,000
9. Inventories		
Consumable stores	133,347	216,223
10. Trade and other receivables		
Deposits	363,096	341,727
Other receivables	1,407	1,407
Deferred finance charges	571,146	-
Accrued payroll expense	204,440	-
Sundry debtors	737,481	737,481
Vat creditors	625,174	174,331
Outstanding deposits	-	14,947
Lease debtor	137,058	137,058
	2,639,802	1,406,951

uPhongoic Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
11. Consumer debtors		
Gross balances		
Rates, electricity and refuse	59,392,446	52,124,373
Less: Provision for debt impairment		
Rates, electricity and refuse	(54,643,237)	(33,380,019)
Net balance		
Rates, electricity and refuse	4,749,209	18,744,354
Rates		
Current (0 -30 days)	(685,826)	(42,770)
31 - 60 days	694,129	1,680,087
61 - 90 days	487,100	817,240
91 - 120 days	464,849	466,582
121 - 365 days	20,957,077	17,934,801
	21,917,329	20,855,940
Electricity		
Current (0 -30 days)	1,797,131	(100,537)
31 - 60 days	796,663	1,297,850
61 - 90 days	82,941	704,388
91 - 120 days	96,905	288,815
121 - 365 days	941,358	1,558,733
	3,714,998	3,749,249
Refuse		
Current (0 -30 days)	252,207	(7,393)
31 - 60 days	310,517	406,892
61 - 90 days	253,627	350,845
91 - 120 days	264,010	253,460
121 - 365 days	24,800,689	21,326,171
	25,881,050	22,329,975
Other		
Current (0 -30 days)	10,549	316,726
31 - 60 days	115,141	137,192
61 - 90 days	101,679	162,278
91 - 120 days	98,780	234,664
121 - 365 days	4,873,683	4,338,349
	5,199,834	5,189,209
Summary of debtors by customer classification		
Consumers		
Current (0 -30 days)	1,195,433	850,021
31 - 60 days	1,667,312	1,596,400
61 - 90 days	805,052	856,620
91 - 120 days	804,353	624,260
121 - 365 days	44,868,342	37,802,415
	49,340,492	41,729,716

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
11. Consumer debtors (continued)		
Industrial/ commercial		
Current (0 -30 days)	151,147	(641,989)
31 - 60 days	210,810	1,856,728
61 - 90 days	101,788	1,177,226
91 - 120 days	101,700	618,355
121 - 365 days	5,673,009	7,308,305
	6,238,454	10,318,625
National and provincial government		
Current (0 -30 days)	27,481	(42,007)
31 - 60 days	38,329	68,895
61 - 90 days	18,507	905
91 - 120 days	18,491	905
121 - 365 days	1,031,457	47,334
	1,134,265	76,032
Total		
Current (0 -30 days)	1,197,117	166,025
31 - 60 days	1,916,451	3,522,022
61 - 90 days	925,347	2,034,751
91 - 120 days	1,722,718	1,243,520
121 - 365 days	53,630,813	45,158,055
	59,392,446	52,124,373
Less: Provision for debt impairment	(54,643,237)	(33,380,019)
	4,749,209	18,744,354
Less: Provision for debt impairment		
Reconciliation of debt impairment provision		
Balance at beginning of the year	(33,380,019)	(15,820,393)
Contributions to provision	(21,263,218)	(17,559,626)
	(54,643,237)	(33,380,019)

The provision for debt impairment was calculated by providing for the following: Total outstanding balance of indigent debtors; 150 days and greater of handed over debtors balances; 150 days and greater of debtors who have been making no payments or are irregular payers. The rates debtors form a large percentage of total outstanding indigent debtors that are outstanding for more than 150 days, and debtors handed over for collection in the current year, therefore, the rates debtors amounts were included in the provision for doubtful debts as opposed to prior year.

12. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	3,267	3,544
Bank balances	7,437,712	3,197,926
Short-term deposits	8,734,319	12,207,224
	16,175,298	15,408,694

The municipality had the following bank accounts

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand

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12. Cash and cash equivalents (continued)

Account number / description	Bank statement balances			Cash book balances		
	June 30, 2012	June 30, 2011	June 30, 2010	June 30, 2012	June 30, 2011	June 30, 2010
FNB Main Cheque account - 62027530858	7,385,712	2,980,098	1,680,360	7,437,712	3,197,926	-
Nedbank Call Deposit MIG 03/7165014950/000001	525,091	-	-	525,091	-	-
FNB Call account - 62027890228	-	-	1,558	-	-	-
Standard Bank Money market call- 068686234- 001	1,036,836	-	-	1,036,836	-	-
Standard Bank Money market call - 06868234- 002	3,514,696	-	-	3,514,696	-	-
FNB Money market - 620321378938	651,847	1,047,690	515,055	652,427	1,047,690	-
FNB Public sector cheque - 62050989642	-	(126)	528	-	-	-
FNB Money market - 62230436405	10,950	10,840	10,699	10,950	10,840	-
FNB Money market - 62129241486	-	-	(40,000)	-	-	-
RMB Unit trust - 62138297313	-	-	1,035,369	-	-	-
FNB Money market - 62136676551	-	740,560	21,099	-	740,560	-
FNB Public sector cheque - 62204162870	(2,677)	2,710	10,324	(2,677)	2,710	-
FNB Business fixed maturity - 74216395456	-	-	47,162	-	-	-
Nedbank call deposit FMG - 03/7165014950/000002	1,452,325	-	-	1,452,325	-	-
Absa Cheque - 3210144705	54,804	31,332	33,265	54,804	31,332	-
Absa Call - 9057789072	19,051	18,515	17,990	19,051	18,515	-
FNB 32 day call account - 74235220262	-	-	134,864	-	-	-
FNB call account - 62253771896	1,929	1,017	31,785	1,929	1,017	-
Money market Account - 62136676460	70,158	8,555,809	-	70,158	8,555,809	-
RMB Unit Trust RU-500758420	5,370	5,370	-	-	5,370	-
Business Fixed Maturity Notice- 74277775457	-	17,958	-	-	17,958	-
Business Maturity Notice- 74279242397	-	251,509	-	-	25,109	-
Glacier Portfolio- 3144953	-	74,372	-	-	74,372	-
Money Market Account- 62290207234	64,871	472,043	-	64,871	472,043	-
Money Market investment- 62305239718	1,050,182	1,009,969	-	1,026,121	1,018,420	-
Business 32 Day Interest Plus Acc- 74275780911	307,737	185,479	-	307,737	185,479	-
Total	16,148,882	15,405,145	3,500,058	16,172,031	15,405,150	-

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
13. Instalment sale obligation		
Minimum payments due		
- within one year	1,405,241	-
- in second to fifth year inclusive	2,576,274	-
	3,981,515	-
Non-current liabilities	2,576,274	-
Current liabilities	1,405,241	-
	3,981,515	-

Refer to Appendix A for further detail

The instalment sale agreements are with Absa bank for the purchase of machinery and equipment and bear interest at 9% per annum. The loans are repayable over 34 months. The last instalment is due on 30 April 2015. The liability is secured against vehicles with a cost price of R3,643,904.

14. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts		
Planning and development grant	47,621	47,621
Finance management grant	-	519,761
Admin capacity building grant	205,686	205,686
Synergistic partnerships (Traditional council)	123,104	123,104
Pongolo Poort reserve grant	-	90,988
Strategic support grant	93,848	93,848
Integration and Reds grant	98,000	98,000
Housing SP Comm gardens	72,864	72,864
Municipal system implementation grant	1,078,652	1,415,381
Valuation roll grant	960,788	1,097,173
Municipal infrastructure grant	2,516,112	520,647
LED Flea Market Grant	2,417,631	-
MDPCB	100,000	100,000
UPLM Library staff costs	-	98,666
Municipal Gov and Admin	-	293,859
Pound Grant	808,381	1,000,000
Intergrated eletrification programme grant	(1,341,308)	8,474,463
Tourism grant- Candover info and craft centre	290,862	531,681
	7,472,241	14,783,742

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
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15. Provisions

Reconciliation of provisions - 2012

	Opening Balance	Additions	Total
Restoration of landfill site	1,835,000	91,750	1,926,750

Reconciliation of provisions - 2011

	Opening Balance	Reduction due to re- measurement or settlement without cost to entity	Total
Restoration of landfill site	3,967,491	(2,132,491)	1,835,000

The provision for rehabilitation of land fill sites relates to the obligation to rehabilitate the land fill site used for waste disposal. It is calculated based on actual costs to rehabilitate the landfill site in 2019 and discounted at 5% using the CPI Index.

16. Long term portion of external loans

External loans - Non current portion	2,430,134	3,213,085
External loans - Current portion	1,059,097	1,005,631
	3,489,231	4,218,716

Refer to Appendix A for further details.

17. Trade and other payables

Trade payables	7,524,014	2,493,342
Payments received in advanced	2,274,202	1,395,534
Accrued leave pay	1,868,719	1,866,872
Accrued bonus	650,255	399,008
Accrued payroll expenses	-	306,851
Deposits received	4,634,268	932,373
Sundry creditors	40,670	40,670
Retention payable	1,368,537	1,368,537
Unpresented cheques	-	1,377,354
Eskom current liability	2,519,939	3,549,008
	20,880,654	13,729,549

18. Revenue

Property rates	10,952,387	10,254,547
Service charges	23,233,567	19,444,256
Rental of facilities & equipment	415,521	437,123
Interest received – trading	2,797,003	3,212,122
Public contributions and donations	-	40,364
Licences and permits	3,162,865	2,985,530
Government grants & subsidies	82,224,388	55,504,922
	122,785,731	91,878,864

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
18. Revenue (continued)		
The amount included in revenue arising from exchanges of goods or services are as follows:		
Service charges	23,233,567	19,444,256
Rental of facilities & equipment	415,521	437,123
Interest received – trading	2,797,003	3,212,122
Licences and permits	3,162,865	2,985,530
	29,608,956	26,079,031
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Property rates	10,952,387	10,254,547
Public contributions and donations	-	40,364
Transfer revenue		
Government grants and subsidies	82,224,388	55,504,922
	93,176,775	65,799,833
19. Service charges		
Sale of electricity	18,308,953	14,689,189
Refuse removal	3,967,078	3,800,751
Other service charges	957,536	954,316
	23,233,567	19,444,256

Property rates revenue has been separately disclosed on the face of the Statement of Financial Performance. The municipality's financial system was not able to generate a report reflecting the property rates per category and the valuations of properties per category. Thus as a result these disclosures are not able to be presented in the financial statements.

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand

20. Government grants and subsidies

Equitable share	52,612,001	43,874,462
Government grants (operational)	4,999,080	3,558,100
Government grants (capital)	24,613,307	8,072,360
	82,224,388	55,504,922

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members

MAP grant

Balance unspent at beginning of year	-	1,048,935
Conditions met - transferred to revenue	-	(351,091)
Prior Adjustment	-	(697,844)
	-	-

Planning and development grant

Balance unspent at end of year	47,621	47,621
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Financial management grant

Balance unspent at beginning of year	519,761	610,684
Current-year receipts	1,450,000	1,200,000
Conditions met - transferred to revenue	(1,358,761)	(1,290,923)
Surrendered	(611,000)	-
	-	519,761

Admin capacity building grant

Balance unspent at beginning of year	205,686	205,866
Conditions met - transferred to revenue	-	(180)
	205,686	205,686

Synergistics partnerships (Traditional council)

Balance unspent at beginning of year	123,104	325,506
Conditions met - transferred to revenue	-	(202,402)
	123,104	123,104

Fongolo Poort reserve grant

Balance unspent at beginning of year	90,988	51,894
Current-year receipts	-	370,713
Conditions met - transferred to revenue	(90,988)	(331,619)
	-	90,988

Strategic support grant

Balance unspent at beginning of year	93,848	100,000
Conditions met - transferred to revenue	-	(6,152)
	93,848	93,848

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
20. Government grants and subsidies (continued)		
Integration and Reds grant		
Balance unspent at end of year	98,000	98,000
Housing SP Comm Gardens		
Balance unspent at beginning of year	72,864	72,864
Municipal systems implementation grant		
Balance unspent at beginning of year	1,415,381	992,256
Current-year receipts	1,000,000	750,000
Conditions met - transferred to revenue	(602,729)	(326,875)
Surrendered	(734,000)	-
	1,078,652	1,415,381
Valuation Roll grant		
Balance unspent at beginning of year	1,097,173	1,331,749
Conditions met - transferred to revenue	(136,385)	(234,576)
	960,788	1,097,173
Municipal infrastructure grant		
Balance unspent at beginning of year	520,647	2,462,770
Current-year receipts	16,793,000	6,061,786
Conditions met - transferred to revenue	(14,797,535)	(8,003,909)
	2,516,112	520,647
Tourism grant - Candover info and craft centre		
Balance unspent at beginning of year	531,681	723,633
Current-year receipts	-	80,000
Conditions met - transferred to revenue	(240,819)	(271,952)
	290,862	531,681
LED Flea Market Grant		
Current-year receipts	3,600,000	-
Conditions met - transferred to revenue	(1,182,369)	-
	2,417,631	-
MDPCB		
Balance unspent at beginning of year	100,000	100,000
	100,000	100,000
UPLM Library staff costs		
Balance unspent at beginning of year	98,666	566,601
Current-year receipts	401,913	-

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
20. Government grants and subsidies (continued)		
Conditions met - transferred to revenue	(500,579)	(467,935)
	-	98,666
Pound Grant		
Balance unspent at beginning of year	1,000,000	-
Current-year receipts	-	1,000,000
Other	(191,619)	-
	808,381	1,000,000
Municipal Gov and Admin		
Balance unspent at beginning of year	293,859	-
Current-year receipts	-	676,224
Conditions met - transferred to revenue	(293,859)	(382,365)
	-	293,859
Integrated electrification programme grant		
Balance unspent at beginning of year	8,474,463	-
Current-year receipts	-	9,000,000
Conditions met - transferred to revenue	(9,815,771)	(525,537)
	(1,341,308)	8,474,463

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
21. General expenses		
Audit committee fees	(1,044)	326,752
Advertising	188,195	404,303
Auditors remuneration	2,221,912	602,824
Bank charges	211,113	206,101
Cleaning	556,079	299,824
Commission paid	843,069	517,424
Consulting and professional fees	2,730,185	3,256,182
Obsolete inventory	35,312	-
Entertainment	27,790	15,732
Hire	979,460	399,643
Insurance	687,776	464,884
Lease rentals on operating lease	701,610	466,992
Promotions and sponsorships	852,329	1,011,710
Motor vehicle expenses	369,964	37,441
Fuel and oil	476,267	765,776
Postage and courier	41,609	17,221
Printing and stationery	475,382	680,930
Protective clothing	193,334	144,413
Security	119,889	128,856
Subscriptions and membership fees	139,358	108,555
Telephone and fax	573,124	397,235
Training	179,504	174,553
Travel - local	1,624,837	689,883
Refuse	40,096	2,215,359
Electricity	15,616,520	12,796,237
Sewerage and waste disposal	12,094	3,883
Water	228,341	43,028
Charges: Property rates	10,736	-
General expenses	2,333,885	1,494,495
Distribution network	253,957	207,884
Shared service DPSS	658	105,864
Grant repayment	-	225,439
Indigent relief	2,505,485	2,296,457
Contributions to provisions	91,750	(2,132,491)
Public participation	871,180	1,349,298
	36,191,756	29,722,687
22. Operating surplus		
Operating surplus for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
• Contractual amounts	21,439	(134,209)
Equipment		
• Contractual amounts	680,171	601,201
	701,610	466,992
Loss on sale of investment property	(1,350,000)	(1,599,867)
Donated assets	17,000	(230,000)
Depreciation on property, plant and equipment	2,973,961	2,717,995
Employee costs	33,957,896	30,868,388

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
23. Employee related costs		
Basic	19,255,744	17,418,564
Bonus	1,166,883	1,351,104
Medical aid - company contributions	985,868	743,752
UIF	207,348	161,086
WCA	-	3,868
SDL	384,963	270,752
Pension contributions	1,693,582	1,520,323
Overtime payments	2,386,761	1,855,660
Long-service awards	(71,940)	1,124,708
Acting allowances	436,127	537,521
Car allowance	525,920	989,489
Housing benefits and allowances	25,338	27,158
Cellphone allowance	24,696	49,595
Leave	362,869	533,031
Group Life	64,344	54,101
Vehicle subsidy	1,939,053	-
Industrial Council	21,708	7,938
	29,409,264	26,648,650
Remuneration of municipal manager		
Annual Remuneration	270,119	438,962
Telephone Allowance	12,400	20,544
Bonus	-	110,367
Contributions to UIF, Medical, Pension Funds and Bargaining levy	5,318	1,547
Allowance	34,441	56,952
Travel Allowance	86,439	143,348
Backpay	55,843	-
	464,560	771,720
Remuneration of acting chief finance officer		
Annual Remuneration	-	305,220
Reimburse	-	13,876
Bonus	-	29,039
Contributions to UIF, Medical and Pension Funds	-	38,671
Acting Allowance	-	289,039
Backpay	-	3,054
	-	680,099
The previous CFO resigned and the Acting CFO was not section 57 employee.		
Remuneration of manager : Technical Services		
Annual Remuneration	167,718	373,600
Travel Allowance	35,016	78,000
Contributions to UIF, Medical and Pension Funds	3,206	1,547
Allowance	17,770	39,584
Telephone Allowance	2,693	6,000
Leave	27,145	-
	253,550	498,731

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
23. Employee related costs (continued)		
Remuneration of manager: Corporate Services		
Annual Remuneration	350,018	332,838
Acting Allowance	-	34,392
Leave	52,599	-
Bonus	-	91,842
Contributions to UIF, Medical and Pension Funds	6,552	1,547
Allowance	44,210	37,318
Telephone Allowance	6,895	6,624
Travel Allowance	110,724	108,425
Reimburse	48,230	17,523
	619,231	630,509
Remuneration of Community Services Manager		
Annual Remuneration	335,911	319,446
Travel Allowance	113,081	110,172
Reimburse	26,893	19,153
Contributions to UIF, Medical and Pension Funds	7,127	1,547
Telephone Allowance	-	6,624
Allowance	28,609	26,124
Acting Allowance	69,449	-
Leave	50,452	-
	638,447	483,066
24. Remuneration of councillors		
Mayor	371,653	327,143
Deputy Mayor	310,428	254,871
Executive Committee Members	797,720	39,935
Speaker	361,458	177,207
Councillors	2,707,373	3,420,582
	4,548,632	4,219,738
25. Debt impairment		
Debt impairment	24,526,197	17,559,625
25. Investment revenue		
Interest revenue		
Current account	89,933	16,397
External investement	978,788	893,014
	1,068,721	909,411
27. Depreciation and amortisation		
Property, plant and equipment	2,874,732	2,430,383
Intangible assets	42,127	25,269
	2,916,859	2,455,652

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
28. Finance costs		
Other interest paid	752,118	399,118
29. Auditors' remuneration		
Fees	2,221,912	602,824

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
30. Cash generated from operations		
Surplus	17,128,136	2,934,143
Adjustments for:		
Depreciation and amortisation	2,973,961	2,717,995
Gain on sale of assets and liabilities	1,333,000	1,829,867
Fair value adjustments	(16,610)	(2,397,000)
Debt impairment	24,526,197	17,559,625
Movements in retirement benefit assets and liabilities	126,799	988,722
Movements in provisions	91,750	(2,132,491)
Adjustments to accumulated surplus	(852,022)	7,797,227
Changes in working capital:		
Inventories	82,876	(38,565)
Trade and other receivables	(1,232,851)	(388,661)
Consumer debtors	(10,531,052)	(11,023,456)
Trade and other payables	7,151,055	2,386,721
VAT	(1,457,918)	1,075,322
Unspent conditional grants and receipts	(7,311,501)	8,008,318
	32,011,820	29,317,767
31. Commitments		
Authorised capital expenditure		
Approved and not yet contracted		
• Infrastructure- MIG	19,352,450	24,793,000
• Intergrated National Eletrification Programme	8,000,000	-
• Other Assets	4,305,000	6,900,000
	31,657,450	31,693,000
Approved and contracted		
• Infrastructure- MIG	2,516,112	520,647
• Intergrated National Eletrification Programe	-	8,474,463
• Flea Market	2,417,631	-
	4,933,743	8,995,110
The expenditure will be financed from		
External loans	2,900,000	1,450,000
Government conditional grant	27,352,450	24,793,000
Internally generated funds	1,405,000	5,450,000
	31,657,450	31,693,000
Operating leases - as lessee (expense)		
Minimum lease payments due		
- within one year	444,768	184,717
- in second to fifth year inclusive	259,448	614,108
	704,216	798,825

Operating lease payments represent rentals payable by the municipality for certain of its office properties. Leases are negotiated for an average term .

32. Prior period errors

Depreciation for the 2010/ 11 financial year was incorrectly calculated.

The correction of the error(s) results in adjustments as follows:

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
32. Prior period errors (continued)		
Statement of financial position		
Property Plant and Equipment - Reduction in net carrying value	-	(310,415)
Statement of Financial Performance		
Depreciation and Amortisation - increase	-	310,415
33. Unauthorised expenditure		
Fujitsu	562,741	-
34. Fruitless and wasteful expenditure		
Opening balance	63,783	-
Fruitful and Wasteful Expenditure current year	-	63,783
Fraudulent S&T claim employee	1,310	-
Pongolo wholesalers	1,089	-
Fixtrade 341CC	1,402	-
KPMG	154,561	-
Mikros Traffic Monitoring	1,084,000	-
Fruitful and Wasteful Expenditure awaiting condonement	1,306,145	63,783

The Municipality entered into a contract with Mikros Traffic Monitoring KZN from 01 December 2010 to 30 November 2013 for installing speed cameras on the road. The value of the contract was R1 083 000. The Municipality was paying Mikros R108 000 including VAT every month. In view of the fact that there was no revenue generated from the project the Accounting Officer terminated the contract on 23 April 2012 before its due period. The municipality agreed to pay outstanding amounts of R270 750 over four months beginning end of April 2012 to July 2012.

In addition an amount of R1310 was fraudulently claimed by an employee in form of Subsistence and allowance where he claimed to have gone to Ulundi. The Municipality is yet to recover the amount from the employee.

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
35. Irregular expenditure		
Opening balance	50,140	-
Non- compliance with SCM procedures	562,315	50,140
Luxito trading	12,750	-
Oxy trading	44,663	-
Margabusi trading	241,062	-
ILZ trading enterprises	183,022	-
Flora sithole	68,765	-
TZ Nene	92,000	-
Nkosizakhe trading	63,860	-
BC mthe construction	26,202	-
uMzabalazo gardening services	62,886	-
Mayibuye earthworks	550,706	-
MO focus trading	122,913	-
Themba's transoprt	171,364	-
Sizakancane farming cc	241,062	-
Isivini trading 3 cc	31,737	-
Inkomazi construction	28,983	-
Best 2 electrical	325,165	-
Aros protection services	439,143	-
Thuthukani funerals	199,295	-
Flamable green gel	2,027,490	-
Lekwa consulting	800,591	-
KPMG	1,053,487	-
Best to eletrical	52,901	-
Ndwandwe construction	82,080	-
Ndwandwe construction	119,016	-
Inkomazi fuel & Oil	20,000	-
Inkomazi fuel & oil	20,000	-
Irregular expenditure awaiting Condonement	7,693,598	50,140

Awards to employees from other orgns of state

Ikhwezi L&L distance taxi association	760,400	-
Aros protection	2,517,980	-
	3,278,380	-

Details of irregular expenditure – current year

	Disciplinary steps taken/criminal proceedings	
For procurements with a transacion value over R 10 000 and up to R 200 000, three formal quotations should be obtained however only two quotations were obtained	The official reponsible for this has received a warning letter.	562,315

36. Distribution losses

Distribution losses

Electrical distribution losses	432,581	611,853
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The municipality purchased 35 925 808 units (2011: 29 447 298) from Eskom but only sold 34 833 455 units (2011: 28 370 092) to consumers. This represents a loss of 1 092 352 units (2011: 1 077 206) representing a percentage of 3.04% (2011: 3.66%) which equates to a monetary value of R432 581 (2011: R 611 853). The loss is as a result of replacing business meters and departmental meters, line losses and transformer losses.

37. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand

	2012	2011
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37. Additional disclosure in terms of Municipal Finance Management Act (continued)

Current year subscription / fee	16,861	118,725
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Material losses through criminal conduct

Total amount to be recovered	70,509	68,237
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The case is in respect of the official that was found guilty of presenting fraudulent qualification upon applying for the position of being a Trainee Traffic Officer. The costs to be recovered include the salary paid to the employee, college training fees, verification fees, accommodation costs incurred and the cost of the uniform. The amount had not yet been recovered as at 30 June 2012

Audit fees

PAYE and UIF

Opening balance		329,777
Current year subscription / fee	4,018,968	2,547,286
Amount paid - current year	(4,018,968)	(2,547,286)
Reversal- previous years		(329,777)

Pension and Medical Aid Deductions

Current year subscription / fee	4,135,243	3,556,982
Amount paid - current year	(4,135,243)	(3,556,982)

VAT

VAT payable	4,528,808	5,986,726
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Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at June 30, 2012:

June 30, 2012	Outstanding less than 90 days	Outstanding more than 90 days	Total
Cllr CN Mavundla	348	10,927	11,275
Cllr NJ Mkhwanazi	894	15,689	16,583
Cllr KE Nxumalo	346	-	346
Cllr ZL Nxumalo	985	13,040	14,025
	2,573	39,656	42,229

uPhongolo Municipality

Annual Financial Statements for the year ended June 30, 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011	
37. Additional disclosure in terms of Municipal Finance Management Act (continued)			
June 30, 2011	Outstanding less than 90 days	Outstanding more than 90 days	Total
Cllr CN Mavundla	218	16,184	16,402
Cllr NJ Mkhwana	562	19,548	20,110
Cllr KE Nxumalo	729	17,201	17,930
Cllr ZL Nxumalo	218	-	218
Cllr AZ Thabede	2,566	-	2,566
Cllr JB Ngema	-	518	518
	4,293	53,451	57,744

Cllr JB Ngema has since settled the balance that was in arrears while the rest of the councillors have made arrangements with the municipality to settle the outstanding amounts.

uPhongoio Municipality

Annual Financial Statements for the year ended June 30, 2012

Schedule of external loans as at 30 June 2012

Page 47

Appendix A

Schedule of external loans as at 30 June 2012

Loan Number	Redeemable	Balance at Thursday, June 30, 2011	Received during the period	Redeemed written off during the period	Balance at Saturday, June 30, 2012	Carrying Value of Property, Plant & Equip	Other Costs in accordance with the MFI:MA
		Rand	Rand	Rand	Rand	Rand	Rand
		4,206,688	565,408	1,282,864	3,489,232	-	-

Government loans

Total external loans



uPHONGOLO

MUNISIPALITEIT / MUNICIPALITY

Rig Korrespondensie aan:
DIE AGBARE BURGEMEESTER

Address Correspondence to:
THE HONOURABLE MAYOR

00000018

MUNISIPALE KANTOOR
MUNICIPAL OFFICE

Martinstraat/Street 61

Posbus/P.O. Box 191
Pongola 3170

Tel. (034) 4131223
Faks/Fax: (034) 4131706

e-mail:
pongolaic@pga.dorea.co.za

Your Ref.
U Verw: _____

Our Ref
Ons Verw: _____

**To: Honourable Speaker
Cllr H V Ngcamphalala**

**From: The MPAC Chairperson
Cllr K E Nxumalo**

OVERSIGHT REPORT:

EC/A/63/2013

The Oversight Committee has pleasure in presenting the Oversight Report to Council to consider one of the following resolutions and then to be forwarded to the relevant Departments and Provincial Legislature.

On the 18th Of March 2013 the MPAC Committee sat to look at the Annual Report. After having looked at the Annual Report we then recommended that there should be some corrections and amendments to be made.

MPAC RECOMMENDED THAT:

- 1. On page 2 of the Annual Report, paragraph 2, the word "than" to be inserted between the words "more a".**
- 2. On page 43 of the Annual Report, under Heading – Airstrip, the "800mm Taxiway" to be changed and to be "800m Runway".**
- 3. On page 98 of the Annual Report, on the construction of MV and LV Lines – Mgwadlu, under column Funding the words "own funds" to be deleted and be replaced by "DoE funds"**
- 4. On page 99 of the Annual Report on the implementation of the Municipal Pound, amount of "R98 874.00" to be deleted and be changed to "R1 000 000.00". The words under funding column to be deleted and be replaced by "Grant Funding".**

5. On page 99 of the Annual Report, the words "own funds" to be deleted on the Construction of Flea Market and under Funding column to reflect "own funds".
6. On page 99 of the Annual Report, on the financial institution to finance earth moving equipment under Funding column the words "own funds" to be deleted and to be replaced by "loan".
7. On page 99 of the Annual Report, on the supply and delivery of 2 Diesel 4x4 LDV's, the amount R313,045.23 to be changed to R626,090.46.
8. On page 98 and 99 of the Annual Report, on the SCM Report the column "status" to be included so that explanation can be given on the status of the tender.
9. On page 101, of the Annual Report, on paragraph one, the statement "these committees meet at least once a month" to be changed and to read as "these committees are required to meet at least once a month".
10. Consumers who are not working and qualifying to be registered as indigents to be encouraged to register so that the Municipality can determine whether their debts can be written off.
11. The Acting CFO to give information as to how/where the farmers of uPhongolo are paying.
12. Oversight report was advertised for inputs from community the community and no comments were received.

The MPAC Committee then resolved that the officials should go and correct what we have recommended we have attached annexure. After having corrected some of the items in Annual Report the MPAC Committee of uPhongolo Local Municipality recommend that the Annual Report be approved.

MEMBERS OF THE MPAC COMMITTEE WHO WERE PRESENT:

Cllr K E Nxumalo		Chairperson of MPAC
Cllr B Mvelase		Committee member
Cllr N J Mkhwanazi		Committee member
Cllr S R Simelane		Committee member
Cllr M J Dlamini		Committee member
Cllr M J Phakathi		Committee member
Cllr N M Mkhwanazi		Committee member
Cllr M S Mtungwa		Committee member
Cllr C N Mavundla		Committee member
Cllr D Nyawo		Committee member
Cllr N T Gumbi		Committee member
Cllr J C Theron		Committee member



uPHONGOLO

MUNISIPALITEIT / MUNICIPALITY

Rig Korrespondensie aan:
DIE AGBARE BURGEMEESTER

Address Correspondence to:
THE HONOURABLE MAYOR

MUNISIPALE KANTOOR
MUNICIPAL OFFICE

Martinstraat/Street 61

Posbus/P.O. Box 191
Pongola 3170

Tel. (034) 4131223
Faks/Fax: (034) 4131706

e-mail:
pongolatlc@pga.dorea.co.za

Your Ref.

U Verw: _____

Our Ref

Ons Verw: _____

EXTRACT FROM THE MINUTES OF THE 03RD FULL COUNCIL MEETING WHICH WAS HELD ON THE 26TH MARCH 2013:

PRESENT:

CLLR H V NGCAMPHALALA
CLLR M HADEBE
CLLR M B MAKHOB
CLLR A Z THABEDE
CLLR E N BUTHELEZI
CLLR M J DLAMINI
CLLR S R SIMELANE
CLLR K E NXUMALO
CLLR M J PHAKATHI
CLLR M S MTUNGWA
CLLR D NYAWO
CLLR B C NHLABATHI
CLLR N J MKHWANAZI
CLLR N T GUMBI
CLLR J P NGWENYA
CLLR M M MNTUNGWA
CLLR B MVELASE
CLLR F F SIMELANE
CLLR N P MAVUSO
CLLR N M MKHWANAZI
CLLR B H NKOSI
CLLR J C THERON
CLLR Z L NXUMALO
CLLR C N MAVUNDLA
CLLR M C NKUMANE

[HONOURABLE SPEAKER]

[HONOURABLE MAYOR]

OFFICIALS:

MR N M MABASO	[ACTING MUNICIPAL MANAGER]
MR M R MTHETHWA	[ACTING CFO]
MR J MARAIS	[ACTING TECHNICAL MANAGER]
MRS N MKHWANAZI	[SNR ADMIN OFFICER]

GUESTS:

MR V MTSHALI	[DEPARTMENT OF TRANSPORT]
MRS G MSANE	[COGTA]

ITEM 1:

OPENING:

The Meeting was opened with Prayer at 12h25 by Cllr N T Gumbi.

The Acting Municipal Manager read the Notice of the Meeting.

The Honourable Speaker, Cllr H V Ngcamphalala greeted and welcomed everyone present.

ITEM 2:

APPLICATION FOR LEAVE OF ABSENCE:

MRS A VAN EEDEN	[MANAGER CORPORATE SERVICES] – WRITTEN APOLOGY STATING SHE IS ATTENDING THE IGR MEETING IN DURBAN
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CLLR M P KHUMALO

Written and verbal apologies were accepted. (Proposed by Cllr B Mvelase and seconded by Cllr N P Mavuso).

ABSENT WITHOUT APPLICATION FOR LEAVE:

CLLR J B NGEMA	[HONOURABLE DEPUTY MAYOR]
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ITEM 12:

EC/A/63/2013

OVERSIGHT REPORT:

RESOLVED BY COUNCIL THAT:

- 1. Council approved the Oversight Report after MPAC Committee corrected some of the items in Annual Report 2011/2012.**
- 2. Copies of the Minutes where the Oversight Report was discussed to be forwarded to Auditor General, Provincial Treasury and COGTA.**
- 3. Oversight Report of Council to be made public within seven days of its adoption by Council, namely 9th April 2013.**
- 4. The corrections were made as follows on the Oversight Report:**
 - On page 2 of the Annual Report, paragraph 2, the word “than” to be inserted between the words “more a”.**
 - On page 43 of the Annual Report, under Heading – Airstrip, the “800mm Taxiway” to be changed and to be “800m Runway”.**
 - On page 98 of the Annual Report, on the construction of MV and LV Lines – Mgwadlu, under column Funding the words “own funds” to be deleted and be replaced by “DoE funds”**
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- On page 101, of the Annual Report, on paragraph one, the statement "these committees meet at least once a month" to be changed and to read as "these committees are required to meet at least once a month".

ITEM 15:

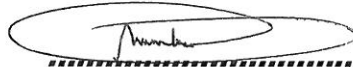
CLOSURE:

The Meeting was closed with Prayer by Cllr B Mvelase at 17h45.

CERTIFIED AS CORRECT ON THIS ^{28th} DAY OF ^{MARCH} 2013



**CLLR H V NGCAMPHALALA
HONOURABLE SPEAKER**



**MR N M MABASO
ACTING MUNICIPAL MANAGER**